

SOLICITATION, OFFER AND AWARD		1. THIS CONTRACT IS A RATED ORDER <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		RATING		PAGE 1	OF PAGES 83
2. CONTRACT NO.		3. SOLICITATION NO. DTFASO-10-R-00102		4. THIS IS A: SMALL BUSINESS SET-ASIDE <input type="checkbox"/> YES <input type="checkbox"/> NO		5. DATE ISSUED 07/21/2010	
				6. REQUISITION/PURCHASE NO.. SO-10-01492			
7. ISSUED BY: DOT/FEDERAL AVIATION ADMINISTRATION SOUTHER REGION, ASO-52 1701 COLUMBIA AVENUE COLLEGE PARK, GA 30337				8. ADDRESS OFFER TO (If other than Block 7) SAME AS BLOCK 7			

SOLICITATION

9. Offers in original and 0 copies for furnishing the supplies or services in the Schedule will be received at the place in the depository specified in Item 8, or if hand-carried located in Room 405 until 3:00 p.m. local time Thursday, August 19, 2010

(Hour)

(Date)

CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section L.

10. FOR INFORMATION CALL:		A. NAME BERTHA RUSSELL	B. TELEPHONE NO. (Include area code) (NO COLLECT CALLS) 404-305-5724
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OFFER (must be fully completed by Offeror)

12. In compliance with the above, the undersigned agree, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the Offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 3.3.1-6)	10 CALENDAR DAYS %	20 CALENDAR DAYS %	30 CALENDAR DAYS %	CALENDAR DAYS %
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14. ACKNOWLEDGMENT OF AMENDMENTS (The Offeror acknowledges receipt of amendments to the SOLICITATION for Offerors and related documents numbered and dated)	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE

15A. NAME AND ADDRESS OF OFFEROR	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)
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15B. TELEPHONE NO. (Include area code)	15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE <input type="checkbox"/>	17. SIGNATURE	18. OFFER DATE
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AWARD (To be completed by Government)

19. ACCEPTED AS TO ITEMS NUMBERED	20. AMOUNT	21. ACCOUNTING AND APPROPRIATION DATA SYSTEM GENERATED AWARD DOCUMENT	
22. RESERVED		23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)	ITEM 25
24. ADMINISTERED BY (if other than item 7)		25. PAYMENT WILL BE MADE BY FAA/MMAC PO BOX 25710, OKLAHAM CITY OK 73125	
26. NAME OF CONTRACTING OFFICER (Type or print) BERTHA RUSSELL		27. UNITED STATES OF AMERICA	28. AWARD DATE

PART I - SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

CONTINUATION SHEET	REFERENCE NO DTFASO-10-R-00102	PAGE 2	OF 82
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NAME OF OFFEROR OR CONTRACTOR

State of Florida, Department of Education, Division of Blind Services

ITEM NO.	SUPPLIES/SERVICES	QUANTIT Y	UNIT	UNIT PRICE	AMOUNT
	<p style="text-align: center;">SCHEDULE OF BID ITEMS</p> <p style="text-align: center;">OPERATION OF FOOD SERVICES CONCESSION AT NO COST TO THE GOVERNMENT AT Federal Aviation Administration, Potomac Consolidated TRACON 3699 MacIntosh Drive Warrenton, Virginia</p>				
0001	<u>Base Period:</u> September 1, 2010 – August 30, 2011	12	MO	\$0.00	\$0.00
0002	<u>First Option Year:</u> September 1, 2011 – August 30, 2012	12	MO	\$0.00	\$0.00
0003	<u>Second Option Year:</u> September 1, 2012 – August 30, 2013	12	MO	\$0.00	\$0.00
0004	<u>Third Option Year:</u> September 1, 2013 – August 30, 2014	12	MO	\$0.00	\$0.00
0005	<u>Fourth Option Year:</u> September 1, 2014 – August 30, 2015	12	MO	\$0.00	\$0.00

PART I - SECTION C
SCOPE OF WORK

STATEMENT OF WORK

1. SCOPE OF OPERATION

The Operator shall establish and operate in his/her name a concession snack bar/grill at the Federal Aviation Administration facility located at 3699/3701 MacIntosh Drive, Warrenton, Virginia, for the purpose of selling foods, non alcoholic beverages and such other items as may be authorized in accordance with all terms and conditions herein specified. The Operator must furnish all necessary materials, management, supervision, personnel, and all equipment (not otherwise furnished by the Government) to operate a concession snack bar/grill as specified in this Statement of Work. Revenue comes only from sale of food and beverages. The Government will not subsidize any losses sustained by the operator.

2. DESCRIPTION OF CONCESSION SNACK BAR/GRILL AREA

This concession snack bar/grill is approximately 2543 square feet of which approximately 1931 square feet is the dining room and approximately 552 square feet are food preparation areas, serving area, and a unisex rest room for **concession snack bar/grill employees only**. The Operator has custodian responsibility for all areas in the cafeteria, except the rest rooms.

3. OPERATION OF THE FACILITY

A. The facility operates twenty-four hours per day, seven days per week divided into three shifts consisting of a Day Shift, an Evening Shift and a Midnight Shift. There are approximately 250 employees Monday through Friday from 6:00 a.m. until 4:00 p.m.

B. The provisions of this clause are intended for information purposes only and are not to be interpreted in any manner as indicating the hours of operation of the cafeteria. The Government does not guarantee the number of employees working in the area nor does it express or imply the percentage of employees who will patronize the cafeteria. Personnel other than employees such as operators, vendors and visitors may also use the concession snack bar/grill in indeterminate numbers.

4. HOURS OF OPERATION OF CONCESSION SNACK BAR/GRILL

A. Staffed service of the concession snack bar/grill will be required nine (9) hours per day (6:30 a.m. to 3:30 p.m.), five days per week, Monday through Friday, excluding federal observed holidays. Hot meals are to be served during the following periods:

	<u>FROM</u>	<u>TO</u>
Hot Breakfast	06:30 a.m.	10:00 a.m.
Hot Lunch	10:30 a.m.	15:30 p.m.

B. Except for custodial cleaning, the dining area will be available to employees 24 hours per day, seven days per week.

C. The Operator will provide a cashier who **will not handle** food during peak operation periods, which at a minimum are identified as 6:30 a.m. – 10:00 a.m. and 10:30 a.m. -14:00 p.m. five days a week.

D. Grill services **must** be available until 3:00 p.m.

5. OPERATION OF VENDING MACHINES

A. The following is a list of the vending equipment and areas that are to be provided under this contract:

Vending Area:

Room 204 (Area A) - 1 Bottled Drink Vendor

Room 204 (Area B) - 1 Bottled Drink Vendor

Room 204 (Area C) - 2 Snack Vendor and 1 Bottled Drink Vendor

Dining Area:

Room 201 (Area D) - 1 Soda/Water Vendor and 1 Soda/Non Refrigerated Soups/Meals Vendor

B. The Operator will furnish, install, operate, service and maintain vending machines dispensing, at a minimum, the following prepackaged products:

Bottled: Sodas, Juices and Water

Cocoa Packages

Chips, Crackers, Cookies, Peanuts, Popcorn

Candy, Gum, Mints

Soups

Sandwiches

C. Additional vending machines may be installed by the Operator with the prior approval of the Contracting Officer.

D. Location of the vending machines will be designated by the Contracting Officer. The Operator is responsible for keeping the vending machine stocked and available for the use of Government employees 24 hours a day, seven days a week, including holidays. The vending machines shall be modern and sanitary. Defective machines shall be repaired or replaced by the Operator.

E. The operator may subcontract vending machines operations if they so desire, in which event such subcontract shall be in writing. A copy of each subcontract shall be made available to the Contracting Officer immediately upon execution. The subcontractor's accounting systems and procedures shall be compatible with those of the operator. Operator shall credit vending machine commissions or equivalent amounts in lieu thereof to costs and expenses of the concession snack bar/grill operation.

F. The employee organization shall have the right to operate and maintain vending machines outside the concession snack bar/grill area with the approval of the Contracting Officer and in accordance with applicable law and policy. The Operator expressly consents to an employee organization operates non-food (game) machines within the concession snack bar/grill area.

6. MENUS

A. The Operator may design a menu that fulfills the desires of the customer; however, these desires shall not impose an undue hardship on the provider. Menu change requests by either the Operator or customer must be submitted in writing through the Contracting Officer Representative to the Contracting Officer for approval. The variety of items served on a manned service in the concession snack bar/grill shall, at a minimum, equal the variety indicated in the following basic menu pattern:

<u>ITEM</u>	<u>NO. OF VARIETIES</u>	<u>ITEM</u>	<u>NO. OF VARIETIES</u>
Soups	2	Sandwiches (cold) (4 1/2 oz meat)	6
Entrees	1	Sandwiches (roast beef, turkey, etc.) (4 1/2 oz meat)	2
Cooked Vegetables	2	Hot open face	
Hero Sandwiches (cold/hot)	2	Salads	3
		Pies or Cakes	2
		Desserts	2
Bread and rolls	3	Hot beverages (coffee, tea, hot chocolate)	3
Milks	3		

B. The entrees on the hot plates shall be varied from day to day and solid entrees shall be served not less than three times for each two times that stews or ground meats are served. Canned or frozen foods may be served but a reasonable quantity of **fresh fruits and vegetables shall be served in season**. Each day's menu shall be well balanced nutritionally. The Operator shall endeavor to serve specific menu items that will appeal to the majority of patrons. The Operator shall provide variety types of breakfast and lunch. During each serving period, easy-to-read menus shall be prominently displayed for the information of patrons. The menu boards shall be of a type that matches the decor of the building and meets the approval of the building manager. The intent of the Government is to provide Government employees with adequate and appetizing meals, prepared and served under clean and sanitary conditions at reasonable prices. The Operator shall submit his proposed weekly menus to the Contracting Officer Technical Representative (COTR). Each week's menu shall be posted in the concession snack bar/grill one week in advance.

7. MENUS, PORTIONS, AND PRICES

With his/her offer, the operator shall submit a proposed sales price list, including vending machine items. The list shall describe all items, quantities, proposed menu, portion and size of each item proposed to be sold. A minimum quantity of items must be listed as described in Paragraph 6. The Operator must also include low fat, low calorie, and vegetarian selections in the menu. The list shall describe all items proposed to be sold, and shall indicate the portion and size of each item. All prices shall be subject to the approval of the Contracting Officer. Sales price for individual items shall be prominently displayed at the locations where such items are sold. At the beginning of the contract period, sales prices shall be at a level that is established in the offer and approved by the Contracting Officer. **Thereafter, they shall be increased above the established level only with the approval of the Contracting Officer, and only as justified by increases in operations costs.** As a prerequisite for approval, the Operator shall furnish the Contracting Officer adequate documentation of increases in operating costs above the average of those for the first six months of operating or any subsequent six-month period. Any price adjustments will require **prior** written approval of the Contracting Officer. Pricing adjustments will not be approved more than once every twelve (12) months. Any requests for changes in the listings to the contract must include the current cost per unit, the new cost with the requested increase, and a cost comparison to local establishment costs that are comparable. Reasonableness of prices shall be judged primarily by comparison with those currently charged for comparable goods or services furnished or sold outside the facility under similar conditions, with due allowance for accessibility, hours and time of operations, availability and cost of labor and materials, type of patronage, and other conditions customarily considered in determining charges, but due regard may also be given other factors as the Contracting Officer may deem significant.

8. QUALITY OF FOODS AND SERVICES

A. The Operator shall serve appetizing foods, promptly and efficiently, under clean and sanitary conditions, at reasonable prices and shall prevent delays and service interruptions. Throughout each serving period, the Operator shall effectively and expeditiously accomplish cleaning of tabletops by damp wiping, and removal of spillage from chairs. The Operator as required shall perform a thorough cleaning of chairs. Patrons will place dirty trays in rack or other approved areas designated by the Operator. Only quality foods, such as Grade A poultry, US Choice grades of beef, U.S. No. 1 grade port, Grade A or fancy vegetables, and Grade A or B canned goods, except commercial grade beef may be used in pot roasts and stews, shall be sold. All foods served shall be wholesome and free from spoilage and decay. Uncooked items, such as fresh fruits, shall be clean and free from blemish. Salads and sandwiches shall be made fresh daily and all foods shall, when served, be attractive in appearance and correct in temperature and consistency.

B. The following types of articles may be sold at the vending stand; fresh fruits, commercially wrapped or pre-packaged items such as confections (candies, drops, gum, mints, and nuts), cookies, ice cream, potato chips and similar snacks, and other such items as the Contracting Officer may authorize.

9. PREPARATION OF FOOD

With the exception of food that cannot be prepared onsite due to the unavailability of Government furnished equipment, the Operator will prepare all food with the exception of pies, pastries, bread and rolls to be served under this contract within the building made available to him under its terms.

10. GARBAGE DISPOSAL AND CLEANING

The Government will provide janitorial service once per day on the evening watch in the employee dining room and in the toilets in the kitchen area. The Operator is responsible for cleaning and collecting and disposing of trash and food waste as follows:

A. In addition to the government provided cleaning, the Operator will provide the necessary intermittent cleaning of the dining area floor and of the ceramic tile area. This cleaning shall be as frequent as necessary to maintain both the dining area and the area behind the counter in a neat and sanitary condition. The Operator will immediately clean spills; damp mopped in the ceramic tile area and thoroughly wiped up. The Operator will damp wash the dining room chairs and tables and do spot cleaning in the kitchen area as required.

B. Between the hours of 2:00 P.M. and 3:00 P.M., the Operator will perform his heavy duty cleaning in the kitchen area, storage rooms, and general washing of the dining room chairs and tables.

C. In the case of the Government furnished equipment, it will be the Operator's responsibility to perform the following

(1) Keep the deep fat fryers and toaster clean and in serviceable condition.

(2) Keep the canopy free of grease and thoroughly clean it at least **four times a year**.

(3) Service the garbage disposal unit and care for it in accordance with the instructions of the manufacturer.

(5) Clean all air filters

(6) Wash and clean all tables and chairs in dining area as required to maintain a neat and orderly appearance at all times and at least once each hour during peak operation periods all tables and chairs shall be cleaned so as to maintain a neat and clean appearance.

D. Food Wastes

All shredded food wastes should be disposed of in the kitchen garbage disposal unit. Non-shredded food wastes shall be collected by the Operator in heavy garbage bags, sealed and removed by the Operator to the garbage disposal unit outside of the building and placed therein. Bulk food wastes shall not be disposed of in sinks or drains. **Dumpster to be provided by operator.**

E. Debris - Other than Shredded Food Wastes

All such debris shall be placed in a plastic can liner and the debris removed by the Operator as often as required to the trash dumpster but not less than once a day. The sinks and drains shall not be used to dispose of debris.

F. All necessary trash containers shall be provided and shall be maintained in a clean and sanitary condition by the Operator. Trash cans used by the Operator shall be washed and disinfected at least once per week and more frequently if required.

G. Upon completion of termination of the contract, the Operator is responsible to insure that the cafeteria is left in satisfactory condition, equal to the degree of cleanliness that the cafeteria was in at the commencement of the contract.

H. The Contracting Officer's Technical Representative may conduct inspections of the overall cleanliness of the cafeteria. This inspection may include periodic unannounced visits by health officials. The Operator must immediately comply with any report of unsatisfactory conditions.

11. EQUIPMENT

A. Equipment to be provided by the Government. The Government will provide and the Operator will be permitted to use the equipment listed in **Attachment 1** hereto. The Government shall also (1) furnish and install replacement equipment when it determines that the original equipment is worn out or beyond economical repair; (2) furnish and install such additional equipment of a similar type which it may deem necessary in connection with an expansion of these services, should any expansion be required. This is contingent upon availability of Government funds. At no time will ownership of Government furnished equipment transfer to the Operator. No Government furnished equipment shall be removed from the premises for any purpose, except by the Government and with the prior approval of the Contracting Officer's Representative in coordination with the AF Environmental Supervisor. The Operator must acknowledge receipt of all Government-owned equipment in writing.

B. Minor Repairs to Government Furnished Equipment.

Throughout the contract period, or any extension thereof, the Operator shall maintain, adjust, and repair the Government furnished concession snack bar/grill equipment provided for his use in a manner satisfactory to the Contracting Officer provided that the responsibility of the Operator for repairs to Government furnished concession snack bar/grill equipment shall be limited to repairs made at one time which cost less than 10 percent of the original cost of the equipment. The Operator shall also repair or replace any Government furnished equipment that may be damaged as a result of his own or his employees' negligence regardless of cost. **It will be the Operator's responsibility to:**

- (1) Keep the deep-fat fryer and toaster clean and in serviceable condition.
- (2) Keep the canopy free from grease and thoroughly clean.
- (3) Clean Garbage Disposal.
- (4) Clean air filters daily.

C. Replacement or Major Repairs to Government Furnished Equipment.

When it is found that the cost of making repairs to a piece of Government furnished equipment will exceed the limitations specified in paragraph B above, or when Government furnished equipment had become obsolete or no longer useful for the purpose of originally intended, the Operator shall notify the Contracting Officer in order that arrangements may be made for appropriate repairs or whether a piece of equipment is to be repaired or replaced will be final and Operator's responsibility for carrying out the terms and conditions of the contract will not be modified in any way by such decision. Replaced equipment shall be turned over to the Government for disposition.

D. Equipment/Supplies to be provided by the Operator.

The Operator shall provide and install at his own expense all other required equipment not provided by the Government. All such equipment shall be subject to the approval of the Contracting Officer or Contracting Officer Technical Representative. Ownership of such equipment shall be vested in the Operator. Operator shall repair, replace and supplement such equipment as necessary to insure sanitary, efficient and satisfactory operation. The Operator must furnish plastic and paper good, plastic utensils, paper bowls, paper cups, all condiments, paper napkins, and trays as may be necessary for daily usage

12. STORAGE SPACE

Kitchen storage space for staple food is available in the kitchen area. Any additional space required will be the responsibility of the Operator. Areas used by the Operator for storage of his materials and equipment must be clean and orderly at all times free from fire, safety hazards, and vermin.

13. ACCOUNTING

The Operator shall submit a monthly financial statement to the Contracting Officer Technical Representative (COTR). It shall include, as a minimum, the information shown in the example on the following page.

14. INCOME STATEMENT

Period from _____ to _____
 SALES

Food
 Vending Machines

TOTAL INCOME FROM SALES

COST OF GOODS SOLD

Inventory
 Purchases
 Total
 Inventory

TOTAL COST OF GOODS

GROSS REVENUE

Less: OVERHEAD

Accounting & Legal
 Depreciation
 Interest & Penalties
 Miscellaneous
 Payroll Taxes - Virginia
 Other Taxes - VA Unemp. Tax
 VA Sales Tax
 Repairs & Maintenance
 Salaries
 Supplies - Office
 Cleaning
 Kitchen

TOTAL OVERHEAD

NET INCOME, (Loss) FROM OPERATIONS

Less: Employee Welfare

Bad Debt

NET INCOME, (Loss)

15. ACCOUNTING DATA

A. The operator shall maintain his menu pricing structure in such a manner so as to result in a combined net profit and general administrative expense of not to exceed twenty percent (20%) of gross concession snack bar/grill revenue (including any revenues from vending machine commissions or amounts in lieu thereof) from the operation on an average annual basis.

If the successful operator is a person or firm that does not have a parent, central, home or regional layer of organizational structure, or only has a portion of such structure, the general administrative expense shall be eliminated or reduced.

B. **Definition of Gross Revenue.** Gross concession snack bar/grill revenue consists of the total receipts received from operations under this contract, from any source, including receipts from the sale of services and supplies, but there shall be included from gross concession snack bar/grill revenue all vending machine commissions or amounts in lieu thereof, and all sales, use or other taxes collected directly from patrons.

C. **Procedures.** The operator shall furnish copies of their monthly profit and loss statement to the Contracting Officer. The Contracting Officer or his Representatives will annually or more frequently if necessary, examine all phases of the financial operation of the cafeteria. Monthly physical inventories of all food stocks on hand, taken by the operator are desirable for reporting purposes as back-up for the profit and loss statement, but as a minimum, a physical inventory shall be taken every six months. Periodic reviews, conducted jointly by representatives of the operator and the Government, will be made to insure that the staffing pattern, menu pricing structure, and other phases of the operation are arranged on the most efficient basis, to the end that operator does not realize an excessive net profit and that Government employees are provided with high quality and convenient food service, under sanitary and healthful conditions, at the most reasonable prices possible.

It is the intent of this contract that any excess of allowable profit or administrative expense be reflected in a lower food cost to patrons. If the monthly audit shows that less than twenty percent (20%) net profit and administrative expenses accrues to the operator, or that the operator actually incurs a loss, the operator shall absorb such deficit or loss and the Government shall not in any way be liable therefore.

D. **Operating Expenses.** The operator is permitted to incur the usual type of operating expenses for cafeteria. Operating expenses are the actual net costs after deduction of trade discounts, cash discounts, rebates, etc., which accrue or which the operator becomes obligated to pay because of operations under the contract.

These expenses may include but are not limited to the cost of foods sold, replacement of small wares, salaries and wages, janitorial services, repairs and preventive maintenance to the Government and operator owned equipment, depreciation, postage, insurance, transportation, supplies and materials, rentals of equipment, workmen's compensation, payroll taxes, other taxes and licenses, employee benefits, etc.

E. **Administrative Expenses.** The following are not allowable as operating expenses under the terms of the contract, as provided in paragraph D above, but are to be recovered as part of the administrative expense:

- (1) Payroll computations and disbursement of employee salaries.
- (2) Wages and salaries of home office employees and general administrative, executive and management officials for general supervision of the contract.
- (3) Accounting expenses, including costs of preparing financial reports.
- (4) Supervision of facilities by operator's home office personnel.

(5) Other wages and salaries to the extent that they exceed those normally paid for similar work in the locality unless the Contracting Officer approves such excess.

(6) Home office management costs, such as general management overhead, transportation of management personnel, and any other indirect management costs, as related to this contract.

(7) Charitable contributions in excess of amounts approved by the Contracting Officer.

(8) Repairs necessary as the result of the negligence of the operator or his employees.

(9) Payment for forms and other supplies of stationery.

(10) Other expenses incurred without the approval of the Contracting Officer.

F. **Records.** The operator shall maintain such accounting records in connection with operations under this contract as are satisfactory to the Contracting Officer. He/she shall take all necessary precautions to assure that all income received from any source is immediately recorded through cash register sales tickets and that all expenditures are added.

16. **ASSIGNMENT**

No sublease, transfer, or assignment by the Operator of this contract, or any part hereof or interest herein, directly or indirectly, voluntary or involuntary, shall be made unless such sublease, transfer or assignment is first approved by the Contracting Officer in writing and be subject to whatever limitations the Government may wish to apply; provided that the Operator may, as specified in the special provisions of this contract, install or use equipment or other operating facilities which are in fact owned by others and leased to the Operator for its use under this contract.

17. **CONCESSION PROMOTION**

The Operator agrees to use its best efforts in every proper manner to maintain and develop the business conducted by it under this contract and increase same, and not divert or allow to be diverted any business from the facility.

18. **EMPLOYEES OF OPERATOR**

A. The Operator **shall employ a full-time qualified manager or a full-time working supervisor during each shift.** The Operator, other than the above supervisors, shall visit the facility monthly, at times agreed upon by the Contracting Officer Technical Representative (COTR) and the Operator for general supervisory purposes. **A representative of executive status shall visit the facilities to adjust matters requiring attention upon 48 hours notice from the Contracting Officer.**

B. **Hair nets or caps, and disposable gloves must be used by employees engaged in the preparation and serving of food in accordance with health and sanitary regulations.**

C. The Operator shall require its employees to observe strict impartiality as to quantities and services and in all circumstances to exercise courtesy and consideration in dealing with the public. The Operator's employees to keep direct handling of food to a minimum shall use serving utensils.

D. The Operator shall prohibit and restrain its agents, servants and employees from loud, noisy and persistent announcement of its services on or about the premises of the facility. Employees of the Operator shall not smoke or carry lighted cigarettes or tobacco products in the food preparation or serving area. The facility is a non-smoking facility.

E. Each employee of the Operator on Government sites shall be a citizen of the United States of America, and affluent in speaking and understanding the English language, or an alien who has been lawfully admitted for permanent residence as evidenced by an Alien Registration Receipt Card Form I-151 or who presents other evidence from the Immigration and Naturalization Service that employment will not affect his immigration status.

F. The Operator shall employ a full-time, on-site manager who possesses the necessary qualifications to supervise the concession snack bar/grill effectively. **The on-site manager shall have previously had, at a minimum, two years of consecutive employment in a position with comparable responsibilities.** The proposed manager's qualifications (resume) will be subject to the approval of the Government and the manager approved by Government must be assigned to manage the cafeteria. These provisions also apply to any future replacement of the manager.

G. The Operator's manager will be delegated the authority integral to the day-to-day effective operation of the concession snack bar/grill relative to personnel supervision and training, menu planning, purchasing, cost control, sanitation, etc. The Operator's manager will be replaced on 30 days notice, upon request of the Contracting Officer for operational deficiencies determined to be a result of interior direct management.

H. The Operator must at all times provide an adequate staff of food service employees to perform the varied and essential duties inherent to a successful food service operation. Personnel staffing as submitted in the Operator's proposal must be provided and any future changes are subject to approval of the Contracting Officer.

I. The Operator shall pay all employees not less than once every two weeks, and without deduction or rebate on any account, except as provided or allowed by law. **Wages are to be paid in accordance with the Department of Labor Wage Determinations (Attachment 2).**

J. Employees of the Operator shall be fully capable of performing the type of work for which they are employed.

K. The Operator must provide adequate, trained relief personnel to substitute for his regular employees when they are absent in order that a high quality food service will be maintained at all times.

L. The Operator shall require his employees to comply with such instructions pertaining to conduct and building regulations as are in effect for the control of persons in the building, or as may be issued for that purpose by Government representatives.

M. The Operator must remove from contract operations any employee who is considered incompetent, careless, insubordinate, unsuitable, or otherwise objectionable or whose continued employment is considered contrary to the public interest by the Contracting Officer.

N. All articles found by the Operator, his agents or employees or by patrons, and given to the Operator, shall be turned into the Contracting Officer Technical Representative (COTR) as lost and found items.

O. Employees must conform to all applicable rules and regulations of the facility.

P. Continued violations may result in termination of the contract by the Contracting Officer.

19. ESTABLISHMENT AND CONTROL OF PRICES AND SERVICES

A. The Contracting Officer reserves the sole right to determine and control the nature and type of merchandise and services which may be sold or furnished by the Operator. If the Operator refuses or fails within forty eight hours after receipt of written notice from the Contracting Officer to discontinue the sale of any product or service which the Contracting Officer determines to be in violation of the rights granted there under, or which the Contracting Officer determines should not be dispensed, or if the Contracting Officer is forced to

make repeated and frequent demands upon the Operator to cease the sale of such products or services, such actions shall be cause for termination of this contract for default of the contract.

B. The Operator shall maintain and operate the concession to such extent and in such manner as the Contracting Officer may deem satisfactory, sell the articles and services authorized and provide the operating facilities, management personnel, equipment, goods and commodities necessary therefore; provided, that the operator shall not be required to make investments inconsistent with an opportunity to make a fair profit on the total of operations there under.

C. All rates and prices established by the Operator for goods or services sold there under shall be reasonable and subject to approval by the Contracting Officer.

D. Reasonableness of prices shall be judged primarily by comparison with those currently charged for comparable goods or services furnished or sold outside the airport facility under similar conditions with due allowance for accessibility, availability and cost of labor and materials, type of patronage and other conditions customarily considered in determining charges, but due regard may also be given to such factors as the Contracting Officer may deem significant.

E. Prices will posted by the Operator, preferably adjacent to the item.

20. ESTABLISHMENT OF OPERATING FACILITIES

A. The Operator agrees and covenants that, at its own cost and expense; it will provide and install all operating facilities required for the property and adequate performance of the services and furnishing of supplies and materials specified in this contract.

B. All such installations shall be subject to approval of the Contracting Officer for conformity with safety standards and similar criteria or regulations established for the facility and for compatibility of design, quality, and condition or color arrangement with the architectural and general character of the concession area and the facility. In addition, equipment installation must be made to conform to applicable State and Federal building, plumbing, electrical or similar codes or ordinances. The Operator shall provide the necessary maintenance for the operating facilities as specified in the contract.

C. The Operator further agrees that all signs, advertising or similar matter to be displayed shall conform to the intent of this contract and be subject to the prior written approval of the Contracting Officer.

21. RIGHTS AND AUTHORITY OF THE GOVERNMENT

A. Authorized Government Representatives shall be permitted to enter and view the premises or equipment at any and all times for the purpose of inspecting or maintaining such premises and equipment and doing any and all things with reference thereto which the Government is obligated to do or which may be deemed necessary or desirable for the proper conduct and operation of the facility.

B. Subject to the detailed provisions stated herein, the quality of food and service, the type, and condition of the equipment, and all other phases of operating are subject to the review and approval of the Contracting Officer at all times. Any proposed changes must be submitted to the Contracting Officer in writing.

C. The Contracting Officer Technical Representative will make inspections at any time deemed necessary for the administration and management of this contract. Observation and discrepancies in sanitation, cleanliness, etc. will be brought to the Operator's attention. The Operator must take immediate and appropriate corrective action. Any complaints received by the Contracting Officer Technical Representative will be discussed with the Operator.

22. SURRENDER OF POSSESSIONS

If this contract provides for occupancy of space within structures owned by the Government, all operating facilities installed therein by and owned by the Operator shall remain the property of the Operator; subject, however, to the following:

A. As of the date this contract expires or is terminated for cause by the Contracting Officer, in whole or in part, as provided for elsewhere in this contract, the Operator peaceably shall yield up to the Government the premises, in good repair in all respects, reasonable wear and tear and damage excepted.

The Government may without further notice take possession of the premises.

B. The Operator, upon written notice to the Contracting Officer, shall have the right at any time during the term of this contract to remove any operating facilities it may erect or install or use in the premises, and any or all fixtures and equipment and other property installed or placed by it at its expense in or about the leased premises; subject, however, to any valid lien which the Government may have thereon for unpaid charges and fees; and provided that, upon removal of any such operating facilities the Operator shall restore the premises to a condition satisfactory to the Contracting Officer.

C. The Operator shall be deemed to have abandoned to the Government any operating facilities, equipment and property of the operator which it has failed to remove from such premises within fifteen calendar days after the end of the period of this contract, or effective date of termination thereof, unless the Contracting Officer shall grant additional time for this purpose in writing; Provided, however, that the Government shall, at its option, have the right to remove same and restore the premises to a satisfactory condition and hold the Operator liable for all costs incident thereto. In the event it is necessary for the Government to remove such operating facilities or equipment, the Government shall not sustain or be charged with any liability for any reason pertaining to the removal or custodial care of same.

D. At the close of the contract, the Operator shall provide an inventory list of all Government Furnished equipment prior to departure the final day of the contract. The Operator must provide, as proof of the inventory, a physical account of the inventory with the Contracting Officer Technical Representative. The operator shall be responsible to replace any missing items. Any items brought into the facility as Operator provided, must be clearly designated and segregated from the Government provided items.

23. TERMINATION

A. Either party may terminate this contract without cause by first giving the other party 90 days written notice of its intention to do so.

B. The Contracting Officer shall have the right to terminate this contract, in whole or in part, upon the happening of any of the following events:

(1) Filing by, or the final adjudication against the Operator of any petition in bankruptcy, or the making of any transfer or general assignment for the benefit of creditors which has not been authorized previously by the Government.

(2) The occurrence of any act, which operates to deprive the Operator permanently of the rights, powers and privileges necessary for the proper conduct of the concession.

(3) The abandonment of the concession or discontinuance thereof. Should this occur, the Government will not be responsible for the custodial protection of merchandise, fixtures, supplies, or equipment abandoned, even though it is necessary for the Government to remove it for storage or disposal from the leased premises.

(4) The failure of the Operator to perform, keep or observe any of the terms, covenants and conditions which it is obligated to perform, keep or observe under this contract, after the expiration of any period of warning or ultimatum given by the Contracting Officer to the Operator to correct any deficiency or default.

(5) In the event of need for the premises by the Government for purposes of National Defense.

C. In the event of default for any of the above causes, other than paragraph (a) (5), termination will be accomplished as follows:

(1) The Contracting Officer shall give the Operator written notice specifying the particulars of the alleged default or unsatisfactory performance.

(2) If requested by the Operator within 15 days after receipt of written notice, the Contracting Officer will grant to the Operator an opportunity to be heard upon the charges.

(3) In the event the Operator does not exercise its option to be heard, the Contracting Officer will notify the Operator and its surety, if any, in writing, within a reasonable period of time after expiration of the 15 day period, or any extension thereof of the effective date of termination and provide all particulars with respect to the rights and responsibilities of the Operator and the Government.

(4) In the event the Operator exercises its option, and is heard by the Contracting Officer upon the charges of default or unsatisfactory performance, the Contracting Officer will, within a reasonable period of time thereafter, either;

(a) Grant the Operator additional time within which to remedy the default or unsatisfactory performance; or,

(b) Notify the Operator and its surety, if any, of the effective date of termination and provide all particulars with respect to the rights and responsibilities of the Operator and the Government.

D. In the event of termination for default or unsatisfactory performance by the Operator, the Government shall have the right (unless otherwise specified in the termination notice), at once and without further notice to the Operator or surety, to enter and take full possession of the premises occupied by the Operator, by force or otherwise, and expel, oust and remove any and all parties who may occupy and portion of the premises or facility covered by this contract, and any and all goods and chattels belonging to the Operator or its associates that may be found in or upon same without same being liable for prosecution or to any claim for damages therefore.

E. Upon such termination by the Contracting Officer, all rights, powers and privileges of the Operator shall cease, and the Operator shall immediately vacate any and all spaces occupied by it under this contract, and shall make no claim of any kind whatsoever against the Government, its agents or representatives, by reason of such termination, or any act incident thereto.

F. In the event of termination for any cause which is determined by the Government to be beyond the control and without the fault or negligence of the Operator payment to the Government there under shall immediately cease, and the Operator shall be entitled to have moneys which have been prepaid or advanced to the Government predicated on occupancy of the premises to the end of the period, if any, refunded to it by the Government.

G. The Operator shall, in addition to other rights provided for by law, be permitted to remove its operating facilities, equipment or merchandise in a manner and at a time agreed upon by the parties hereto.

24. RESPONSIBILITIES OF THE GOVERNMENT

If this contract provides for the occupancy of space within structures owned by the Government, the Government shall, with respect to such space and subject to compensation as provided for elsewhere in this contract, and in addition to such other undertakings as are provided for elsewhere in this contract and subject to the availability of funds therefore:

A. Provide outlets as they presently exist or which the Contracting Officer may approve in writing to be installed at the cost and expense of the Operator for public utility services, including light, electric power, gas, running water, heat and telephone for each concession.

B. Provide structural maintenance to those portions of the designated areas covered by this contract and other structures and areas of the facility constructed by the Government that are occupied by the Operator, to the extent to which the operator is not obligated to perform such repairs and maintenance by specific provision of this contract.

25. RESPONSIBILITIES OF THE OPERATOR

A. The Operator must provide prompt, efficient, and courteous service. At its own expense, Operator must obtain licenses and permits as required by State and local authorities, and shall observe all applicable building, health, sanitary, and other regulations and laws now or hereinafter in force, which are applicable to the operation of the cafeteria. It must use reasonable care in the use of space and Government-owned equipment, and, upon contract termination, must yield up such space and equipment in the same conditions as when received, except for ordinary wear and tear and damage or destruction beyond his/her control and not due to his/her fault or negligence.

B. The Operator must maintain an effective program for the extermination of rodents and vermin in areas assigned for its use. It must employ sufficient and suitable personnel, secure and maintain insurance, and observe other contract requirements. Except as otherwise stated herein, the Operator must pay each and every fee, cost, or other charge incident to, or resulting from operations under the contract.

C. The Operator shall be responsible for turning off all electric lights and appliances not in use, and locking all windows and doors, including doors to food storage areas within the area assigned. The Operator must exercise prudent care in use and control of all equipment as assigned to minimize damage, fire, theft, accident, or other losses.

D. The Operator will be advised of any unsatisfactory conditions for which they are responsible and corrective action required. Deficiencies reported (verbally and/or in writing) must be corrected immediately and/or before close of business the same day unless otherwise agreed upon in writing by the Contracting Officer Technical Representative. The Operator must make daily quality control inspections of the snack bar/grill facilities. The quality control inspections along with any corrective action taken must be documented and must be provided to the Contracting Officer Technical Representative upon request.

E. The Operator is responsible for instructing personnel in appropriate safety measures and must not permit them to place mops, brooms, machines, and other equipment in traffic or other locations in such a manner as to create a safety hazard. Signs must be provided by the Operator to mark slippery areas. This signage must not be left out after the safety hazard has been remedied. The Operator must comply with OSHA safety requirements. The Operator must maintain an on-site First Aid Kit.

F. The Operator must immediately notify the Contracting Officer Technical Representative of all accidents that occur. The Operator must follow up any verbal notification with a written notification. In addition, the Operator must prepare a FAA Mishap Report, (FAA Form 3900-6), for each incident within three (3) days of the incident. The Operator must maintain a copy for the accident report for their files.

26. ACCOUNTING RECORDS OF THE OPERATOR

A. The Government shall be provided with all reports and such other data as are prescribed by this contract or which may be required during the term of this contract, and the Operator must permit during the term of this contract, during regular business hours, any verification, examination or audit of these accounting records deemed advisable by the Government as well as verification, examination or audit of the accounting records of any propriety or affiliate concern.

B. The Operator also must permit inspection, by the officers, employees or representative of the Government, of any accounting, bookkeeping or similar equipment used by the Operator in the development and maintenance of the accounting records.

27. GOVERNMENT-OPERATOR RELATIONSHIP

Nothing in this contract will be construed as in any way creating or establishing a partnership relationship between the parties hereto or as constituting the Operator as an agent or representative of the Government for any purpose or in any manner.

28. FEDERAL, STATE, AND LOCAL LAW

The Operator will, at its own cost and expense:

A. Comply with all Federal, State and Local laws, including but not limited to county and local ordinances, rules or regulations now or hereafter in force, which are applicable to the operation of its vending facility.

B. Obtain and pay for all necessary licenses and permits.

C. Pay all fees and charges assessed under Federal, State and local law insofar as they are applicable to its vending facility.

29. WORK STOPPAGE

Except as a result of damage to or destruction of the premises by fire or other casualty, in the event operations of the Operator are curtailed, interrupted, or otherwise handicapped in whole or in part for any reason, including but not limited to strikes and labor disputes, such conditions shall not relieve the Operator of its obligation to pay the revenue specified in this contract unless and except as otherwise specifically provided for elsewhere in this contract.

30. WAIVER OF PERFORMANCE

The failure of the Government to insist in any one or more instances upon a strict performance by the Operator of any of the terms of this contract shall not be constructed as a waiver or relinquishment thereof of the future, but rather, said terms shall continue and remain in full force and effect. No waiver by the Government of any terms hereof shall be deemed to have been made in any instances unless specifically expressed in writing as an amendment to this contract.

31. FAIR LABOR STANDARD ACT (PUBLIC LAW 93A259, ENACTED APRIL 8, 1974, AMENDS THE FAIR LABOR STANDARDS ACT OF 1937, AS AMENDED (29 U.S.C. 201 ET SEQ.))

The administration and enforcement of this Act are the responsibility of the U.S. Department of Labor; any questions as to the requirements of the Act or its applicability to the work required by this contract should be addressed to the Administrator, Wage and Hour Division, U.S. Department of Labor, Washington, DC 20210 or to a Labor Department Regional Office.

32. FACILITY RULES AND REGULATIONS

The Operator must observe and obey all rules, regulations and implementations thereof promulgated as authorized by law for the care, operation, maintenance, and protection of the facility, whose rules, regulations, and implementations thereof would be applicable and valid irrespective of this clause. Failure of the Operator, any of those persons under its control or its subcontractors to observe such rules, regulations or implementations shall, in addition to assessment of any other penalty provided by law, be cause for termination of this contract for default.

33. RESTRICTIONS

A. Unless specifically authorized in writing by the Contracting Officer, the Operator may not remove any Government-owned equipment from the premise, advertise the concession operations in any manner, or prepare foods and beverages on the premises for sale at any location not covered by the contract.

B. Since the facilities to be provided are for the benefit and convenience of Federal employees, patronage from other sources that interfere with such purposes may be limited or prohibited by the Government at its sole discretion.

34. SECURITY

The Government will ensure the protection of our facilities, sensitive information and resources. As such, the Government reserves the right to restrict access to our facilities, sensitive information, and resources. The Government must screen operator employees to determine their suitability to work under this contract. The Operator must notify the Contracting Officer Technical Representative in writing of all new hires prior to their start. The Operator must follow all established procedures to submit to a background investigation and obtain required security clearance. If any employee does not obtain the required suitability and security clearance, the Contracting Officer Technical Representative will be notified and the employee, after notification will be escorted from the property immediately.

PART I - SECTION D
PACKAGING AND MARKING

THIS SECTION NOT USED

PART I - SECTION E
INSPECTION AND ACCEPTANCE

3.10.4-4 Inspection of Services - Both Fixed-Price & Cost Reimbursement (April 1996)

- (a) 'Services,' as used in this clause, includes services performed, workmanship, and material furnished or utilized in the performance of services.
- (b) The Operator shall provide and maintain an inspection system acceptable to the Government covering the services under this contract. Complete records of all inspection work performed by the Operator shall be maintained and made available to the Government during contract performance and for as long afterwards as the contract requires.
- (c) The Government has the right to inspect and test all services called for by the contract, to the extent practicable at all times and places during the term of the contract. The Government shall perform inspections and tests in a manner that will not unduly delay the work.
- (d) If the Government performs inspections or tests on the premises of the Operator or a subcontractor, the Operator shall furnish, and shall require subcontractors to furnish, without additional charge if a fixed-price contract, all reasonable facilities and assistance for the safe and convenient performance of these duties.
- (e) If any of the services do not conform with contract requirements, the Government may require the Operator to perform the services again in conformity with contract requirements, at no increase in contract amount, or if a cost reimbursement type contract, for no additional fee. When the defects in services cannot be corrected by re-performance, the Government may:
- (1) require the Operator to take necessary action to ensure that future performance conforms to contract requirements and
 - (2) reduce the contract price, or any fee payable under the contract, to reflect the reduced value of the services performed.
- (f) If the Operator fails to promptly perform the services again or to take the necessary action to ensure future performance in conformity with contract requirements, the Government may:
- (1) by contract or otherwise, perform the services and charge to the Operator any cost incurred by the Government that is directly related to the performance of such service, (or if a cost reimbursement contract, reduce any fee payable by an amount that is equitable under the circumstances), or
 - (2) terminate the contract for default.

(End of clause)

E.1 Other Inspections

- a. Health. The facility operated under the contract may be inspected periodically by the Contracting Offer, representatives of local health departments, or the regional flight Surgeon. After each inspection, the Operator will be advised of any unsatisfactory conditions for which they are responsible. Deficiencies shall be corrected promptly by the Operator.
- b. Fire Prevention. A FAA appointed Fire inspector shall perform periodic inspections. Any unsafe conditions found by such official shall be immediately corrected by the Operator.

- c. Industrial Safety. A FAA appointed Safety Officer shall perform periodic inspections. Any unsafe conditions found by such official shall be immediately corrected by the Operator

PART I - SECTION F
DELIVERIES OR PERFORMANCE

SO-F-1 PERIODS OF PERFORMANCE

<u>Base Period:</u>	September 1, 2010 – August 30, 2011	(12 months)
<u>First Option Year:</u>	September 1, 2011 – August 30, 2012	(12 months)
<u>Second Option Year:</u>	September 1, 2012 – August 30, 2013	(12 months)
<u>Third Option Year:</u>	September 1, 2013 – August 30, 2014	(12 months)
<u>Fourth Option Year:</u>	September 1, 2014 – August 30, 2015	(12 months)

(End of clause)

SO-F-2 PLACES OF PERFORMANCE

Federal Aviation Administration
Potomac Consolidated TRACON
3699 MacIntosh Drive
Warrenton, Virginia

(End of clause)

PART I - SECTION G
CONTRACT ADMINISTRATION DATA

3.4.1-7 Notice to Proceed (April 1996)

The operator shall not initiate work under this contract until it has received a notice to proceed in writing from the Contracting Officer.

(End of clause)

3.10.1-22 Contracting Officer's Technical Representative (January 2008)

(a) The Contracting Officer may designate other Government personnel (known as the Contracting Officer's Technical Representative) to act as his or her authorized representative for contract administration functions which do not involve changes to the scope, price, schedule, or terms and conditions of the contract. The designation will be in writing, signed by the Contracting Officer, and will set forth the authorities and limitations of the representative(s) under the contract. Such designation will not contain authority to sign contractual documents, order contract changes, modify contract terms, or create any commitment or liability on the part of the Government different from that set forth in the contract.

(b) The Operator shall immediately contact the Contracting Officer if there is any question regarding the authority of an individual to act on behalf of the Contracting Officer under this contract.

(End of clause)

PART I - SECTION H
SPECIAL CONTRACT REQUIREMENTS

3.4.1-10 Insurance - Work on a Government Installation (July 1996)

- (a) The Operator shall, at its own expense, provide and maintain during the entire performance of this contract, at least the kinds and minimum amounts of insurance required in the "Schedule" or elsewhere in the contract.
- (b) Before commencing work under this contract, the Operator shall certify to the Contracting Officer in writing by letter or certificate of insurance, reflecting the FAA's contract number, that the required insurance has been obtained. The policies evidencing required insurance shall contain an endorsement to the effect that any cancellation or any material change adversely affecting the Federal Aviation Administration's interest shall not be effective:
 - (1) for such period as the laws of the State in which this contract is to be performed prescribe, or
 - (2) until 30 days after the insurer or the Operator gives written notice to the Contracting Officer, whichever period is longer.
- (c) The Operator shall insert the substance of this clause, including this paragraph (c), in subcontracts under this contract that require work on a Government installation and shall require sub-contractors to provide and maintain the insurance required in the "Schedule" or elsewhere in the contract. The Operator shall maintain a copy of all subcontractors' proofs of required insurance, and shall make copies (reflecting the FAA's contract number to ensure proper filing of documents) available to the Contracting Officer upon request.

(End of clause)

3.4.1-11 Insurance - Liability to Third Persons (October 1996)

- (a)
 - (1) Except as provided in subparagraph (a)(2) of this clause, the Operator shall provide and maintain workers' compensation, employer's liability, comprehensive general liability (bodily injury), comprehensive automobile liability (bodily injury and property damage) insurance, and such other insurance as the Contracting Officer may require under this contract.
 - (2) The Operator may, with the approval of the Contracting Officer, maintain a self-insurance program; provided that, with respect to workers' compensation, the Operator is qualified pursuant to statutory authority.
 - (3) All insurance required by this paragraph shall be in a form and amount and for those periods as the Contracting Officer may require or approve and with insurers approved by the Contracting Officer.
- (b) The Operator agrees to submit for the Contracting Officer's approval, to the extent and in the manner required by the Contracting Officer, any other insurance that is maintained by the Operator in connection with the performance of this contract and for which the Operator seeks reimbursement.
- (c) The Operator shall be reimbursed:
 - (1) For that portion
 - (i) of the reasonable cost of insurance allocable to this contract, and

(ii) required or approved under this clause; and

(2) For certain liabilities (and expenses incidental to such liabilities) to third persons not compensated by insurance or otherwise without regard to and as an exception to the limitation of cost or the limitation of funds clause of this contract. These liabilities must arise out of the performance of this contract, whether or not caused by the negligence of the Operator or of the Operator's agents, servants, or employees, and must be represented by final judgments or settlements approved in writing by the Government. These liabilities are for:

(i) Loss of or damage to property (other than property owned, occupied, or used by the Operator, rented to the Operator, or in the care, custody, or control of the Operator); or

(ii) Death or bodily injury.

(d) The Government's liability under paragraph (c) of this clause is subject to the availability of appropriated funds at the time a contingency occurs. Nothing in this contract shall be construed as implying that the Congress will, at a later date, appropriate funds sufficient to meet deficiencies.

(e) The Operator shall not be reimbursed for liabilities (and expenses incidental to such liabilities)-

(1) For which the Operator is otherwise responsible under the express terms of any clause specified in the "Schedule" or elsewhere in the contract;

(2) For which the Operator has failed to insure or to maintain insurance as required by the Contracting Officer; or

(3) That result from willful misconduct or lack of good faith on the part of any of the Operator's directors, officers, managers, superintendents, or other representatives who have supervision or direction of:

(i) All or substantially all of the Operator's business;

(ii) All or substantially all of the Operator's operations at any one plant or separate location in which this contract is being performed; or

(iii) A separate and complete major industrial operation in connection with the performance of this contract.

(f) The provisions of paragraph (e) of this clause shall not restrict the right of the Operator to be reimbursed for the cost of insurance maintained by the Operator in connection with the performance of this contract, other than insurance required in accordance with this clause; provided, that such cost is allowable under the "Allowable Cost and Payment" clause of this contract.

(g) If any suit or action is filed or any claim is made against the Operator, the cost and expense of which may be reimbursable to the Operator under this contract, and the risk of which is then uninsured or is insured for less than the amount claimed, the Operator shall:

(1) Immediately notify the Contracting Officer and promptly furnish copies of all pertinent papers received;

(2) Authorize Government representatives to collaborate with counsel for the insurance carrier in settling or defending the claim when the amount of the liability claimed exceeds the amount of coverage; and

(3) Authorize Government representatives to settle or defend the claim and to represent the Operator in or to take charge of any litigation, if required by the Government, when the liability is not insured or

covered by bond. The Operator may, at its own expense, be associated with the Government representatives in any such claim or litigation.

(End of clause)

3.4.1-12 Insurance (July 1996)

(a) During the term of this contract and any extension, the operator shall maintain at its own expense the insurance required by this clause. Insurance companies shall be acceptable to the Federal Aviation Administration. Policies shall include all terms and provisions required by the Federal Aviation Administration.

(b) The operator shall maintain and furnish evidence of the following insurance, with the stated minimum limits:

(1) Worker's Compensation and Employer's Liability. The operator shall comply with applicable Federal and State workers' compensation and occupational disease statutes. The operator shall maintain employer's liability coverage of at least \$100,000, except in States with exclusive or monopolistic funds that do not permit worker's compensation to be written by private carriers.

(2) General Liability. The operator shall maintain bodily injury general liability insurance written on a comprehensive form of policy of at least \$100,000* per person and \$500,000* per occurrence. Property damage limits, if any, will be set forth elsewhere in the "Schedule."

(3) Automobile Liability. If automobiles will be used in connection with performance of this contract, the operator shall maintain automobile liability insurance written on a comprehensive form of policy with coverage of at least \$200,000* per person and \$500,000* per occurrence for bodily injury and \$20,000* per occurrence for property damage.

(4) Aircraft Liability. If aircraft will be used in connection with performance of this contract, the operator shall maintain aircraft public and passenger liability insurance with coverage of at least \$200,000* per person and \$500,000* per occurrence for bodily injury other than passenger liability, and \$200,000* per occurrence for property damage. Coverage for passenger liability bodily injury shall be at least \$200,000* multiplied by the number of seats or passengers, whichever is greater.

(5) Watercraft Liability. When watercraft will be used in connection with performing the contract, the operator shall provide watercraft liability insurance. Limits shall be at least \$1,000,000* per occurrence. The policy shall include coverage for owned, non-owned and hired watercraft.

(6) Environmental Impairment Liability. When the contract may involve hazardous wastes, the operator shall provide environmental impairment liability insurance with coverage of at least \$1,000,000* bodily injury per occurrence and \$1,000,000* property damage per occurrence. Such insurance shall include coverage for the clean up, removal, storage, disposal, transportation, and use of pollutants.

(7) Medical Malpractice. When the contract will involve health care services, the operator shall maintain medical malpractice liability insurance with coverage of at least \$500,000* per occurrence.

(c) Each policy shall include substantially the following provision:

"It is a condition of this policy that the company furnish written notice to the U.S. Federal Aviation Administration 30 days in advance of the effective date of any reduction in or cancellation of this policy."

(d) The operator shall furnish a certificate of insurance or, if required by the Contracting Officer, true copies of liability policies and manually countersigned endorsements of any changes, including the FAA's contract number to ensure proper filing of documents. Insurance shall be effective, and evidence of acceptable insurance

furnished, before beginning performance under this contract. Evidence of renewal shall be furnished not later than five days before a policy expires.

(e) The maintenance of insurance coverage as required by this clause is a continuing obligation, and the lapse or termination of insurance coverage without replacement coverage being obtained will be grounds for termination for default.

*Unless modified in the "Schedule"

(End of clause)

3.11-12 Supervision, Labor or Materials (April 1999)

The Operator shall furnish adequate supervision, labor, materials, supplies, and equipment necessary to perform all the services contemplated under this contract in an orderly, timely, and efficient manner.

(End of clause)

H.1 Licenses, Permits and Responsibilities

The Operator shall, at its own cost and expense, be responsible for obtaining licenses and permits necessary for a commercial food service in the local area and for complying with any applicable Federal, State, and Municipal laws, codes, and regulations, in connection with the prosecution of the work. The Contractor shall also be responsible for all damages to persons or property that occur as a result of the Contractor's fault or negligence, and shall take proper safety and health precautions to protect the workers, the public, and the property of others. The contractor also must comply with all applicable health, sanitation, building codes, or ordinances.

H.2 Accounting Records of the Contractor

- a. In the event this contract provides for payment of revenue to the Government which is computed in any manner upon the gross receipts or net receipts of the Contractor derived from its operations hereunder, the Contractor shall maintain accounting records, in accordance with accepted accounting practices, of all its transactions at, through, or in any way connected with operations under this contract. These records shall be maintained current during the contract period at the business address of the Contractor and be retained at that location for a period extending three (3) years after the date of termination or expiration of this contract, unless a longer period of time is specifically stated elsewhere in this contract.
- b. The Contractor shall permit any verification, examination or audit of these accounting records deemed advisable by the Government as well as verification, examination or audit of the accounting records of any proprietary or affiliate concern during the term of this contract, and for three (3) years afterwards, during regular business hours.
- c. The Contract also shall permit inspection by the officers, employees or representatives of the Government of any accounting, bookkeeping, or similar equipment used by the Contractor in the development and maintenance of these accounting records.

PART II - SECTION I CONTRACT CLAUSES

3.1-1 Clauses and Provisions Incorporated by reference (December 2005)

This screening information request (SIR) or contract, as applicable, incorporates by reference the provisions or clauses listed below with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make the full text available, or offerors and contractors may obtain the full text via Internet at: <http://conwrite.faa.gov> (on this web page, select "Search and View Clauses").

- 3.1.7-2 Organizational Conflicts of Interest** (August 1997)
- 3.2.2.3-37 Notification of Ownership Changes** (July 2004)
- 3.2.2.3-67 Special Precautions for Work at Operating Airports** (July 2004)
- 3.2.2.7-6 Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment** (February 2009)
- 3.2.2.7-8 Disclosure of Team Arrangements** (April 2008)
- 3.2.4-34 Option to Extend Services** (April 1996)
- 3.2.4-35 Option to Extend the Term of the Contract** (April 1996)
- 3.2.5-1 Officials Not to Benefit** (April 1996)
- 3.2.5-3 Gratuities or Gifts** (January 1999)
- 3.2.5-4 Contingent Fees** (October 1996)
- 3.2.5-5 Anti-Kickback Procedures** (October 1996)
- 3.2.5-8 Whistleblower Protection for Contractor Employees** (April 1996)
- 3.3.1-34 Payment by Electronic Funds Transfer- Central Contractor Registration** (February 2009)
- 3.3.2-1 FAA Cost Principles** (October 1996)
- 3.4.2-6 Taxes - Contracts Performed in U.S. Possessions or Puerto Rico** (October 1996)
- 3.4.2-8 Federal, State, and Local Taxes - Fixed Price Contract** (April 1996)
- 3.6.2-2 Convict Labor** (April 1996)
- 3.6.2-9 Equal Opportunity** (August 1998)
- 3.6.2-12 Affirmative Action for Special Disabled and Vietnam Era Veterans** (April 2007)
- 3.6.2-13 Affirmative Action for Workers With Disabilities** (April 2000)
- 3.6.2-14 Employment Reports on Special Disabled Veterans and Veterans of Vietnam Era** (April 2007)
- 3.6.2-16 Notice to the Government of Labor Disputes** (April 1996)
- 3.6.2-35 Prevention of Sexual Harassment** (August 1998)
- 3.6.2-39 Trafficking in Persons** (January 2008)
- 3.6.2-41 Employment Eligibility Verification** (September 2009)
- 3.6.3-9 Refrigeration Equipment and Air Conditioners** (April 2009)
- 3.6.3-13 Recycle Content and Environmentally Preferable Products** (April 2009)
- 3.6.3-16 Drug Free Workplace** (February 2009)
- 3.6.4-2 Buy American Act - Supplies** (July 1996)
- 3.6.4-10 Restrictions on Certain Foreign Purchases** (January 2010)
- 3.9.1-2 Protest After Award** (August 1997)
- 3.10.1-7 Bankruptcy** (April 1996)
- 3.10.1-9 Stop-Work Order** (October 1996)
- 3.10.1-12 Changes - Fixed-Price** (April 1996)
- 3.10.1-12 Alternate I Changes - Fixed-Price Alternate I** (April 1996)
- 3.10.1-24 Notice of delay** (February 2009)
- 3.10.1-25 Novation and Change-Of-Name Agreements** (October 2007)
- 3.10.2-1 Subcontracts (Fixed-Price Contracts)** (April 1996)
- 3.10.3-1 Definitions** (April 2004)
- 3.10.6-1 Termination for Convenience of the Government (Fixed Price)** (October 1996)

3.10.6-4 Default (Fixed-Price Supply and Service) (October 1996)**3.13-5 Seat Belt Use by Contractor Employees (January 1999)****3.13-13 Reducing Text Messaging While Driving (April 2010)****3.2.4-34 Option to Extend Services (April 1996)**

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within the period specified in the Schedule.

(End of clause)

3.2.4-35 Option to Extend the Term of the Contract (April 1996)

(a) The Government may extend the term of this contract by written notice to the Contractor within 1 day; provided, that the Government shall give the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option provision.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not **exceed 5 years**.

(End of clause)

3.3.1-33 Central Contractor Registration (January 2008)

(a) Definitions. As used in this clause

"Central Contractor Registration (CCR) database" means the primary Government repository for Contractor information required for the conduct of business with the Government.

"Data Universal Numbering System (DUNS) number" means the 9-digit number assigned by Dun and Bradstreet, Inc. (D&B) to identify unique business entities.

"Data Universal Numbering System +4 (DUNS+4) number" means the DUNS number assigned by D&B plus a 4-character suffix that may be assigned by a business concern. (D&B has no affiliation with this 4-character suffix.) This 4-character suffix may be assigned at the discretion of the business concern to establish additional CCR records for identifying alternative Electronic Funds Transfer (EFT) accounts for the same parent concern.

"Registered in the CCR database" means that the Contractor has entered all mandatory information, including the DUNS number or the DUNS+4 number, into the CCR database.

(b)(1) By submission of an offer, the offeror acknowledges the requirement that a prospective awardee shall be registered in the CCR database prior to award, during performance, and through final payment of any contract, basic agreement, basic ordering agreement, or blanket purchasing agreement resulting from this solicitation.

(2) The offeror shall enter, in Representations, Certifications and Other Statements of Offerors Section of the solicitation, the DUNS or DUNS +4 number that identifies the offeror's name and address exactly as stated in the offer. The DUNS number will be used by the Contracting Officer to verify that the offeror is registered in the CCR database.

(c) If the offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one.

(1) An offeror may obtain a DUNS number

(i) If located within the United States, by calling Dun and Bradstreet at 1-866-705-5711 or via the Internet at <http://fedgov.dnb.com/webform>; or

(ii) If located outside the United States, by contacting the local Dun and Bradstreet office.

(2) The offeror should be prepared to provide the following information:

(i) Company legal business.

(ii) Tradestyle, doing business, or other name by which your entity is commonly recognized.

(iii) Company Physical Street Address, City, State, and ZIP Code.

(iv) Company Mailing Address, City, State and ZIP Code (if different from physical street address).

(v) Company Telephone Number.

(vi) Date the company was started.

(vii) Number of employees at your location.

(viii) Chief executive officer/key manager.

(ix) Line of business (industry).

(x) Company Headquarters name and address (reporting relationship within your entity).

(d) If the offeror does not become registered in the CCR database in the time prescribed by the Contracting Officer, the Contracting Officer may proceed to award to the next otherwise successful registered offeror.

(e) Processing time, which normally takes 48 hours, should be taken into consideration when registering. Offerors who are not registered should consider applying for registration immediately upon receipt of this solicitation.

(f) The Contractor is responsible for the accuracy and completeness of the data within the CCR database, and for any liability resulting from the Government's reliance on inaccurate or incomplete data. To remain registered in the CCR database after the initial registration, the Contractor is required to review and update on an annual basis from the date of initial registration or subsequent updates its information in the CCR database to ensure it is current, accurate and complete. Updating information in the CCR does not alter the terms and conditions of this contract and is not a substitute for a properly executed contractual document.

(g)(1)(i) If a Contractor has legally changed its business name, "doing business as" name, or division name (whichever is shown on the contract), or has transferred the assets used in performing the contract, but has not completed the necessary requirements regarding novation and change-of-name agreements in AMS Procurement Guidance T3.10.1.A-8, the Contractor shall provide the responsible Contracting Officer a minimum of one business day's written notification of its intention to:

(A) change the name in the CCR database;

(B) comply with the requirements of T3.10.1.A-8; and

(C) agree in writing to the timeline and procedures specified by the responsible Contracting Officer. The Contractor must provide the Contracting Officer with the notification, sufficient documentation to support the legally changed name.

(ii) If the Contractor fails to comply with the requirements of paragraph (g)(1)(i) of this clause, or fails to perform the agreement at paragraph (g)(1)(i)(C) of this clause, and, in the absence of a properly executed novation or change-of-name agreement, the CCR information that shows the Contractor to be other than the Contractor indicated in the contract will be considered to be incorrect information within the meaning of the "Suspension of Payment" paragraph of the electronic funds transfer (EFT) clause of this contract.

(2) The Contractor shall not change the name or address for EFT payments or manual payments, as appropriate, in the CCR record to reflect an assignee for the purpose of assignment of claims. Assignees shall be separately registered in the CCR database. Information provided to the Contractor's CCR record that indicates payments, including those made by EFT, to an ultimate recipient other than that Contractor will be considered to be incorrect information within the meaning of the "Suspension of payment" paragraph of the EFT clause of this contract.

(h) Offerors and Contractors may obtain information on registration and annual confirmation requirements via the internet at <http://www.ccr.gov/> or by calling 1-888-227-2423, or 269-961-5757.

(End of Clause)

3.6.2-28 Service Contract Act of 1965, as Amended (April 1996)

(a) Definitions.

(1) Act, as used in this clause, means the Service Contract Act of 1965, as amended (41 U.S.C. 351, et seq.).

(2) Contractor, as used in this clause or in any subcontract, shall be deemed to refer to the subcontractor, except in the term Government Prime Contractor.

(3) Service employee, as used in this clause, means any person engaged in the performance of this contract other than any person employed in a bona fide executive, administrative, or professional capacity, as these terms are defined in Part 541 of title 29, Code of Federal Regulations, as revised. It includes all such persons regardless of any contractual relationship that may be alleged to exist between a Contractor or subcontractor and such persons.

(b) Applicability. This contract is subject to the following provisions and to all other applicable provisions of the Act and regulations of the Secretary of Labor (29 CFR Part 4). This clause does not apply to contracts or subcontracts administratively exempted by the Secretary of Labor or exempted by 41 U.S.C. 356, as interpreted in subpart C of 29 CFR Part 4.

(c) Compensation.

(1) Each service employee employed in the performance of this contract by the Contractor or any subcontractor shall be paid not less than the minimum monetary wages and shall be furnished fringe benefits in accordance with the wages and fringe benefits determined by the Secretary of Labor, or authorized representative, as specified in any wage determination attached to this contract.

(2) (i) If a wage determination is attached to this contract, the Contractor shall classify any class of service employee which is not listed therein and which is to be employed under the contract (i.e., the work to be performed is not performed by any classification listed in the wage determination) so as to provide a reasonable relationship (i.e., appropriate level of skill comparison) between such unlisted classifications and the classifications listed in the wage determination. Such conformed class of employees shall be paid the monetary wages and furnished the fringe benefits as are determined pursuant to the procedures in this paragraph (c).

(ii) This conforming procedure shall be initiated by the Contractor prior to the performance of contract work by the unlisted class of employee. The Contractor shall submit Standard Form (SF) 1444, Request for Authorization of Additional Classification and Rate, to the Contracting Officer no later than 30 days after the unlisted class of employee performs any contract work. The Contracting Officer shall review the proposed classification and rate and promptly submit the completed SF 1444 (which must include information regarding the agreement or disagreement of the employees' authorized representatives or the employees themselves together with the agency recommendation), and all pertinent information to the Wage and Hour Division, Employment Standards Administration U.S. Department of Labor. The Wage and Hour Division will approve,

modify, or disapprove the action or render a final determination in the event of disagreement within 30 days of receipt or will notify the Contracting Officer within 30 days of receipt that additional time is necessary.

(iii) The final determination of the conformance action by the Wage and Hour Division shall be transmitted to the Contracting Officer who shall promptly notify the Contractor of the action taken. Each affected employee shall be furnished by the Contractor with a written copy of such determination or it shall be posted as a part of the wage determination.

(iv) (A) The process of establishing wage and fringe benefit rates that bear a reasonable relationship to those listed in a wage determination cannot be reduced to any single formula. The approach used may vary from wage determination to wage determination depending on the circumstances. Standard wage and salary administration practices which rank various job classifications by pay grade pursuant to point schemes or other job factors may, for example, be relied upon. Guidance may also be obtained from the way different jobs are rated under Federal pay systems (Federal Wage Board Pay System and the General Schedule) or from other wage determinations issued in the same locality. Basic to the establishment of any conformable wage rate(s) is the concept that a pay relationship should be maintained between job classifications based on the skill required and the duties performed.

(B) In the case of a contract modification, an exercise of an option, or extension of an existing contract, or in any other case where a Contractor succeeds a contract under which the classification in question was previously conformed pursuant to paragraph (c) of this clause, a new conformed wage rate and fringe benefits may be assigned to the conformed classification by indexing (i.e., adjusting) the previous conformed rate and fringe benefits by an amount equal to the average (mean) percentage increase (or decrease, where appropriate) between the wages and fringe benefits specified for all classifications to be used on the contract which are listed in the current wage determination, and those specified for the corresponding classifications in the previously applicable wage determination. Where conforming actions are accomplished in accordance with this paragraph prior to the performance of contract work by the unlisted class of employees, the Contractor shall advise the Contracting Officer of the action taken but the other procedures in subdivision (c)(2)(ii) of this clause need not be followed.

(C) No employee engaged in performing work on this contract shall in any event be paid less than the currently applicable minimum wage specified under section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended.

(v) The wage rate and fringe benefits finally determined under this subparagraph (c)(2) of this clause shall be paid to all employees performing in the classification from the first day on which contract work is performed by them in the classification. Failure to pay the unlisted employees the compensation agreed upon by the interested parties and/or finally determined by the Wage and Hour Division retroactive to the date such class of employees commenced contract work shall be a violation of the Act and this contract.

(vi) Upon discovery of failure to comply with subparagraph (c)(2) of this clause, the Wage and Hour Division shall make a final determination of conformed classification, wage rate, and/or fringe benefits which shall be retroactive to the date such class or classes of employees commenced contract work.

(3) Adjustment of Compensation. If the term of this contract is more than 1 year, the minimum monetary wages and fringe benefits required to be paid or furnished thereunder to service employees under this contract shall be subject to adjustment after 1 year and not less often than once every 2 years, under wage determinations issued by the Wage and Hour Division.

(d) Obligation to Furnish Fringe Benefits. The Contractor or subcontractor may discharge the obligation to furnish fringe benefits specified in the attachment or determined under subparagraph (c)(2) of this clause by furnishing equivalent combinations of bona fide fringe benefits, or by making equivalent or differential cash payments, only in accordance with subpart D of 29 CFR Part 4

(e) Minimum Wage. In the absence of a minimum wage attachment for this contract, neither the Contractor nor any subcontractor under this contract shall pay any person performing work under this contract (regardless of whether the person is a service employee) less than the minimum wage specified by section 6(a)(1) of the Fair Labor Standards Act of 1938. Nothing in this clause shall relieve the Contractor or any subcontractor of any other obligation under law or contract for payment of a higher wage to any employee.

(f) Successor Contracts. If this contract succeeds a contract subject to the Act under which substantially the same services were furnished in the same locality and service employees were paid wages and fringe benefits provided for in a collective bargaining agreement, in the absence of the minimum wage attachment for this contract setting forth such collectively bargained wage rates and fringe benefits, neither the Contractor nor any subcontractor under this contract shall pay any service employee performing any of the contract work (regardless of whether or not such employee was employed under the predecessor contract), less than the wages and fringe benefits provided for in such collective bargaining agreement, to which such employee would have been entitled if employed under the predecessor contract, including accrued wages and fringe benefits and any prospective increases in wages and fringe benefits provided for under such agreement. No Contractor or subcontractor under this contract may be relieved of the foregoing obligation unless the limitations of 29 CFR 4.1b(b) apply or unless the Secretary of Labor or the Secretary's authorized representative finds, after a hearing as provided in 29 CFR 4.10 that the wages and/or fringe benefits provided for in such agreement are substantially at variance with those which prevail for services of a character similar in the locality, or determines, as provided in 29 CFR 4.11, that the collective bargaining agreement applicable to service employees employed under the predecessor contract was not entered into as a result of arm's length negotiations. Where it is found in accordance with the review procedures provided in 29 CFR 4.10 and/or 4.11 and Parts 6 and 8 that some or all of the wages and/or fringe benefits contained in a predecessor Contractor's collective bargaining agreement are substantially at variance with those which prevail for services of a character similar in the locality, and/or that the collective bargaining agreement applicable to service employees employed under the predecessor contract was not entered into as a result of arm's length negotiations, the Department will issue a new or revised wage determination setting forth the applicable wage rates and fringe benefits. Such determination shall be made part of the contract or subcontract, in accordance with the decision of the Administrator, the Administrative Law Judge, or the Board of Service Contract Appeals, as the case may be, irrespective of whether such issuance occurs prior to or after the award of a contract or subcontract (53 Comp. Gen. 401 (1973)). In the case of a wage determination issued solely as a result of a finding of substantial variance, such determination shall be effective as of the date of the final administrative decision.

(g) Notification to Employees. The Contractor and any subcontractor under this contract shall notify each service employee commencing work on this contract of the minimum monetary wage and any fringe benefits required to be paid pursuant to this contract, or shall post the wage determination attached to this contract. The poster provided by the Department of Labor (Publication WH 1313) shall be posted in a prominent and accessible place at the worksite. Failure to comply with this requirement is a violation of section 2(a)(4) of the Act and of this contract.

(h) Safe and Sanitary Working Conditions. The Contractor or subcontractor shall not permit any part of the services called for by this contract to be performed in buildings or surroundings or under working conditions provided by or under the control or supervision of the Contractor or subcontractor which are unsanitary, hazardous, or dangerous to the health or safety of the service employees. The Contractor or subcontractor shall comply with the safety and health standards applied under 29 CFR Part 1925.

(i) Records.

(1) The Contractor and each subcontractor performing work subject to the Act shall make and maintain for 3 years from the completion of the work, and make them available for inspection and transcription by authorized representatives of the Wage and Hour Division, Employment Standards Administration, a record of the following:

(i) For each employee subject to the Act-

(A) Name and address and social security number;

(B) Correct work classification or classifications, rate or rates of monetary wages paid and fringe benefits provided, rate or rates of payments in lieu of fringe benefits, and total daily and weekly compensation;

(C) Daily and weekly hours worked by each employee; and

(D) Any deductions, rebates, or refunds from the total daily or weekly compensation of each employee.

(ii) For those classes of service employees not included in any wage determination attached to this contract, wage rates or fringe benefits determined by the interested parties or by the Administrator or authorized representative under the terms of paragraph (c) of this clause. A copy of the report required by subdivision (c)(2)(ii) of this clause will fulfill this requirement.

(iii) Any list of the predecessor Contractor's employees which had been furnished to the Contractor as prescribed by paragraph (n) of this clause.

(2) The Contractor shall also make available a copy of this contract for inspection or transcription by authorized representatives of the Wage and Hour Division.

(3) Failure to make and maintain or to make available these records for inspection and transcription shall be a violation of the regulations and this contract, and in the case of failure to produce these records, the Contracting Officer, upon direction of the Department of Labor and notification to the Contractor, shall take action to cause suspension of any further payment or advance of funds until the violation ceases.

(4) The Contractor shall permit authorized representatives of the Wage and Hour Division to conduct interviews with employees at the worksite during normal working hours.

(j) Pay Periods. The Contractor shall unconditionally pay to each employee subject to the Act all wages due free and clear and without subsequent deduction (except as otherwise provided by law or Regulations, 29 CFR Part 4), rebate, or kickback on any account. These payments shall be made no later than one pay period following the end of the regular pay period in which the wages were earned or accrued. A pay period under this Act may not be of any duration longer than semi-monthly.

(k) Withholding of Payments and Termination of Contract. The Contracting Officer shall withhold or cause to be withheld from the Government Prime Contractor under this or any other Government contract with the Prime Contractor such sums as an appropriate official of the Department of Labor requests or such sums as the Contracting Officer decides may be necessary to pay underpaid employees employed by the Contractor or subcontractor. In the event of failure to pay any employees subject to the Act all or part of the wages or fringe benefits due under the Act, the Contracting Officer may, after authorization or by direction of the Department of Labor and written notification to the Contractor, take action to cause suspension of any further payment or advance of funds until such violations have ceased. Additionally, any failure to comply with the requirements of this clause may be grounds for termination of the right to proceed with the contract work. In such event, the Government may enter into other contracts or arrangements for completion of the work, charging the Contractor in default with any additional cost.

(l) Subcontracts. The Contractor agrees to insert this clause in all subcontracts subject to the Act.

(m) Collective Bargaining Agreements Applicable to Service Employees. If wages to be paid or fringe benefits to be furnished any service employees employed by the Government Prime Contractor or any subcontractor under the contract are provided for in a collective bargaining agreement which is or will be effective during any

period in which the contract is being performed, the Government Prime Contractor shall report such fact to the Contracting Officer, together with full information as to the application and accrual of such wages and fringe benefits, including any prospective increases, to service employees engaged in work on the contract, and a copy of the collective bargaining agreement. Such report shall be made upon commencing performance of the contract, in the case of collective bargaining agreements effective at such time, and in the case of such agreements or provisions or amendments thereof effective at a later time during the period of contract performance such agreements shall be reported promptly after negotiation thereof.

(n) Seniority List. Not less than 10 days prior to completion of any contract being performed at a Federal facility where service employees may be retained in the performance of the succeeding contract and subject to a wage determination which contains vacation or other benefit provisions based upon length of service with a Contractor (predecessor) or successor (29 CFR 4.173), the incumbent Prime Contractor shall furnish the Contracting Officer a certified list of the names, of all service employees on the Contractor's or subcontractor's payroll during the last month of contract performance. Such list shall also contain anniversary dates of employment on the contract either with the current or predecessor Contractors of each such service employee. The Contracting Officer shall turn over such list to the successor Contractor at the commencement of the succeeding contract.

(o) Rulings and Interpretations. Rulings and interpretations of the Act are contained in Regulations, 29 CFR Part 4.

(p) Contractor's Certification.

(1) By entering into this contract, the Contractor (and officials thereof) certifies that neither it (nor he or she) nor any person or firm who has a substantial interest in the Contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of the sanctions imposed under section 5 of the Act.

(2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract under section 5 of the Act.

(3) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

(q) Variations, Tolerances, and Exemptions Involving Employment. Notwithstanding any of the provisions in paragraphs (b) through (o) of this clause, the following employees may be employed in accordance with the following variations, tolerances, and exemptions, which the Secretary of Labor, pursuant to section 4(b) of the Act prior to its amendment by P. L. 92-473, found to be necessary and proper in the public interest or to avoid serious impairment of the conduct of Government business.

(1) Apprentices, student-learners, and workers whose earning capacity is impaired by age, physical or mental deficiency or injury may be employed at wages lower than the minimum wages otherwise required by section 2(a)(1) or 2(b)(1) of the Act without diminishing any fringe benefits or cash payments in lieu thereof required under section 2(a)(2) of the Act, in accordance with the conditions and procedures prescribed for the employment of apprentices, student-learners, handicapped persons, and handicapped clients of sheltered workshops under section 14 of the Fair Labor Standards Act of 1938, in the regulations issued by the Administrator (29 CFR Parts 520, 521, 524, and 525).

(2) The Administrator will issue certificates under the Act for the employment of apprentices, student-learners, handicapped persons, or handicapped clients of sheltered workshops not subject to the Fair Labor Standards Act of 1938, or subject to different minimum rates of pay under the two acts, authorizing appropriate rates of minimum wages (but without changing requirements concerning fringe benefits or supplementary cash payments in lieu thereof), applying procedures prescribed by the applicable regulations issued under the Fair Labor Standards Act of 1938 (29 CFR Parts 520, 521, 524, and 525).

(3) The Administrator will also withdraw, annul, or cancel such certificates in accordance with the regulations in 29 CFR Parts 525 and 528.

(r) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they perform when they are employed and individually registered in a bona fide apprenticeship program registered with a State Apprenticeship Agency which is recognized by the U.S. Department of Labor, or if no such recognized agency exists in a State, under a program registered with the Bureau of Apprenticeship and Training, Employment and Training Administration, U.S. Department of Labor. Any employee who is not registered as an apprentice in an approved program shall be paid the wage rate and fringe benefits contained in the applicable wage determination for the journeyman classification of work actually performed. The wage rates paid apprentices shall not be less than the wage rate for their level of progress set forth in the registered program, expressed as the appropriate percentage of the journeyman's rate contained in the applicable wage determination. The allowable ratio of apprentices to journeymen employed on the contract work in any craft classification shall not be greater than the ratio permitted to the Contractor as to his entire work force under the registered program.

(s) Tips. An employee engaged in an occupation in which the employee customarily and regularly receives more than \$30 a month in tips may have the amount of these tips credited by the employer against the minimum wage required by section 2(a)(1) or section 2(b)(1) of the Act, in accordance with section 3(m) of the Fair Labor Standards Act and Regulations 29 CFR part 531. However, the amount of credit shall not exceed \$1.34 per hour beginning January 1, 1981. To use this provision-

(1) The employer must inform tipped employees about this tip credit allowance before the credit is utilized;

(2) The employees must be allowed to retain all tips (individually or through a pooling arrangement and regardless of whether the employer elects to take a credit for tips received);

(3) The employer must be able to show by records that the employee receives at least the applicable Service Contract Act minimum wage through the combination of direct wages and tip credit;

(4) The use of such tip credit must have been permitted under any predecessor collective bargaining agreement applicable by virtue of section 4(c) of the Act.

(t) Disputes Concerning Labor Standards. The U.S. Department of Labor has set forth in 29 CFR Parts 4, 6, and 8 procedures for resolving disputes concerning labor standards requirements. Such disputes shall be resolved in accordance with those procedures and not the "Disputes" clause of this contract. Disputes within the meaning of this clause include disputes between the Contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

(End of clause)

3.6.2-30 Fair Labor Standards Act and Service Contract Act - Price Adjustment (Multiple Year and Option Contracts) (April 1996)

(a) This clause applies to both contracts subject to area prevailing wage determinations and contracts subject to collective bargaining agreements.

(b) The Contractor warrants that the prices in this contract do not include any allowance for any contingency to cover increased costs for which adjustment is provided under this clause.

(c) The wage determination, issued under the Service Contract Act of 1965, as amended, (41 U.S.C. 351, et seq.), by the Administrator, Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, current on the anniversary date of a multiple year contract or the beginning of each renewal option period, shall apply to this contract. If no such determination has been made

applicable to this contract, then the Federal minimum wage as established by section 6(a)(1) of the Fair Labor Standards Act of 1938, as amended, (29 U.S.C. 206) current on the anniversary date of a multiple year contract or the beginning of each renewal option period, shall apply to this contract.

(d) The contract price or contract unit price labor rates will be adjusted to reflect the Contractor's actual increase or decrease in applicable wages and fringe benefits to the extent that the increase is made to comply with or the decrease is voluntarily made by the Contractor as a result of:

(1) The Department of Labor wage determination applicable on the anniversary date of the multiple year contract, or at the beginning of the renewal option period. For example, the prior year wage determination required a minimum wage rate of \$4.00 per hour. The Contractor chose to pay \$4.10. The new wage determination increases the minimum rate to \$4.50 per hour. Even if the Contractor voluntarily increases the rate to \$4.75 per hour, the allowable price adjustment is \$.40 per hour;

(2) An increased or decreased wage determination otherwise applied to the contract by operation of law; or

(3) An amendment to the Fair Labor Standards Act of 1938 that is enacted after award of this contract, affects the minimum wage, and becomes applicable to this contract under law.

(e) Any adjustment will be limited to increases or decreases in wages and fringe benefits as described in paragraph (c) of this clause, and the accompanying increases or decreases in social security and unemployment taxes and workers' compensation insurance, but shall not otherwise include any amount for general and administrative costs, overhead, or profit.

(f) The Contractor shall notify the Contracting Officer of any increase claimed under this clause within 30 days after receiving a new wage determination unless this notification period is extended in writing by the Contracting Officer. The Contractor shall promptly notify the Contracting Officer of any decrease under this clause, but nothing in the clause shall preclude the Government from asserting a claim within the period permitted by law. The notice shall contain a statement of the amount claimed and any relevant supporting data, including payroll records, that the Contracting Officer may reasonably require. Upon agreement of the parties, the contract price or contract unit price labor rates shall be modified in writing. The Contractor shall continue performance pending agreement on or determination of any such adjustment and its effective date.

(g) The Contracting Officer or an authorized representative shall have access to and the right to examine any directly pertinent books, documents, papers and records of the Contractor until the expiration of 3 years after final payment under the contract.

(End of clause)

3.8.2-17 Key Personnel and Facilities (July 1996)

(a) The personnel and/or facilities as specified below are considered essential to the work being performed hereunder and may, with the consent of the contracting parties, be changed from time to time during the course of the contract.

(b) Prior to removing, replacing, or diverting any of the specified personnel and/or facilities, the Contractor shall notify in writing, and receive consent from, the Contracting Officer reasonably in advance of the action and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on this contract.

(c) No diversion shall be made by the Contractor without the written consent of the Contracting Officer.

(d) The key personnel and/or facilities under this contract are:

Supervisor/Manager
Cook

(End of clause)

3.8.2-10 Protection of Government Buildings, Equipment, and Vegetation (April 1996)

The Contractor shall use reasonable care to avoid damaging existing buildings, equipment, and vegetation on the Government installation. If the Contractor's failure to use reasonable care causes damage to any of this property, the Contractor shall replace or repair the damage at no expense to the Government as the Contracting Officer directs. If the Contractor fails or refuses to make such repair or replacement, the Contractor shall be liable for the cost, which may be deducted from the contract price.

(End of clause)

3.9.1-1 Contract Disputes (September 2009)

(a) All contract disputes arising under or related to this contract shall be resolved through the Federal Aviation Administration (FAA) dispute resolution system at the Office of Dispute Resolution for Acquisition (ODRA) and shall be governed by the procedures set forth in 14 C.F.R. Parts 14 and 17, which are hereby incorporated by reference. Judicial review, where available, will be in accordance with 49 U.S.C. 46110 and shall apply only to final agency decisions. A contractor may seek review of a final FAA decision only after its administrative remedies have been exhausted.

(b) The filing of a contract dispute with the ODRA may be accomplished by mail, overnight delivery, hand delivery, or by facsimile. A contract dispute is considered to be filed on the date it is received by the ODRA.

(c) Contract disputes are to be in writing and shall contain:

(1) The contractor's name, address, telephone and fax numbers and the name, address, telephone and fax numbers of the contractor's legal representative(s) (if any) for the contract dispute;

(2) The contract number and the name of the Contracting Officer;

(3) A detailed chronological statement of the facts and of the legal grounds for the contractor's positions regarding each element or count of the contract dispute (i.e., broken down by individual claim item), citing to relevant contract provisions and documents and attaching copies of those provisions and documents;

(4) All information establishing that the contract dispute was timely filed;

(5) A request for a specific remedy, and if a monetary remedy is requested, a sum certain must be specified and pertinent cost information and documentation (e.g., invoices and cancelled checks) attached, broken down by individual claim item and summarized; and

(6) The signature of a duly authorized representative of the initiating party.

(d) Contract disputes shall be filed at the following address:

(1) Office of Dispute Resolution for Acquisition, AGC-70,
Federal Aviation Administration,
800 Independence Ave, S.W., Room 323,
Washington, DC 20591,

Telephone: (202) 267-3290,
Facsimile: (202) 267-3720; or

(2) other address as specified in 14 CFR Part 17.

(e) A contract dispute against the FAA shall be filed with the ODRA within two (2) years of the accrual of the contract claim involved. A contract dispute by the FAA against a contractor (excluding contract disputes alleging warranty issues, fraud or latent defects) likewise shall be filed within two (2) years after the accrual of the contract claim. If an underlying contract entered into prior to the effective date of this part provides for time limitations for filing of contract disputes with the ODRA which differ from the aforesaid two (2) year period, the limitation periods in the contract shall control over the limitation period of this section. In no event will either party be permitted to file with the ODRA a contract dispute seeking an equitable adjustment or other damages after the contractor has accepted final contract payment, with the exception of FAA claims related to warranty issues, gross mistakes amounting to fraud or latent defects. FAA claims against the contractor based on warranty issues must be filed within the time specified under applicable contract warranty provisions. Any FAA claims against the contractor based on gross mistakes amounting to fraud or latent defects shall be filed with the ODRA within two (2) years of the date on which the FAA knew or should have known of the presence of the fraud or latent defect.

(f) A party shall serve a copy of the contract dispute upon the other party, by means reasonably calculated to be received on the same day as the filing is to be received by the ODRA.

(g) After filing the contract dispute, the contractor should seek informal resolution with the Contracting Officer.

(h) The FAA requires continued performance with respect to contract disputes arising under this contract, in accordance with the provisions of the contract, pending a final FAA decision.

(i) The FAA will pay interest on the amount found due and unpaid from (1) the date the Contracting Officer receives the contract dispute, or (2) the date payment otherwise would be due, if that date is later, until the date of payment. Simple interest on contract disputes shall be paid at the rate fixed by the Secretary of the Treasury that is applicable on the date the Contracting Officer receives the contract dispute and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary until payment is made. Interest will not accrue for more than one year.

(j) Additional information and guidance about the ODRA dispute resolution process for contract disputes can be found on the ODRA Website at <http://www.faa.gov>.

(End of clause)

3.9.1-2 Protest After Award (August 1997)

(a) Upon receipt of a notice that a protest has been filed with the FAA Office of Dispute Resolution, or a determination that a protest is likely, the Administrator or his designee may instruct the Contracting Officer to direct the Contractor to stop performance of the work called for by this contract. The order to the Contractor shall be in writing, and shall be specifically identified as a stop-work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Upon receipt of the final decision or other resolution of the protest, the Contracting Officer shall either--

(1) Cancel the stop-work order; or

(2) For other than cost-reimbursement contracts, terminate the work covered by the order as provided in the "Default" or the "Termination for Convenience of the Government" clause(s) of this contract; or

(3) For cost-reimbursement contracts, terminate the work covered by the order as provided in the "Termination" clause of this contract.

(b) If a stop-work order issued under this clause is canceled either before or after the final resolution of the protest, the Contractor shall resume work. The Contracting Officer shall make for other than cost-reimbursement contracts, an equitable adjustment in the delivery schedule or contract price, or both; and for cost-reimbursement contracts, an equitable adjustment in the delivery schedule, the estimated cost, the fee, or a combination thereof, and in any other terms of the contract that may be affected; and the contract shall be modified, in writing, accordingly, if--

(1) The stop-work order results in an increase in the time required for, or in the Contractor's cost properly allocable to, the performance of any part of this contract; and

(2) The Contractor asserts its right to an adjustment within 30 days after the end of the period of work stoppage; provided, that if the Contracting Officer decides the facts justify the action, the Contracting Officer may receive and act upon a proposal submitted at any time before final payment under this contract.

(c) If a stop-work order is not canceled and the work covered by the order is terminated for the convenience of the Government, the Contracting Officer shall allow reasonable costs resulting from the stop-work order in arriving at the termination settlement.

(d) If a stop-work order is not canceled and the work covered by the order is terminated for default, the Contracting Officer shall allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop-work order.

(e) The Government's rights to terminate this contract at any time are not affected by action taken under this clause.

(End of clause)

3.10.3-1 Definitions (April 2004)

(a) Accessory item - an item that facilitates or enhances the operation of plant equipment but which is not essential for its operation.

(b) Agency-peculiar property - Government-owned personal property that is peculiar to the mission of an agency (e.g., military or space property). It excludes Government material, special test equipment, special tooling, and facilities.

(c) Auxiliary item - an item without which the basic unit of plant equipment cannot operate.

(d) Common item - material that is common to the applicable Government contract and the Contractor's other work.

(e) Contractor-acquired property (CAP) - property acquired or otherwise provided by the Contractor for performing a contract and to which the Government has title.

(f) Contractor inventory -

(1) Any property acquired by and in the possession of a Contractor or subcontractor under a contract for which title is vested in the Government and which exceeds the amounts needed to complete full performance under the entire contract;

(2) Any property that the Government is obligated or has the option to take over under any type of contract as a result either of any changes in the specifications or plans thereunder or of the termination of the contract (or subcontract thereunder), before completion of the work, for the convenience or at the option of the Government; and

(3) Government-furnished property that exceeds the amounts needed to complete full performance under the entire contract.

(g) Contracting Officer Technical Representative (COTR) a designated representative of the Contracting Officer responsible for the technical aspects of contract administration

(h) Custodial records - written memoranda of any kind, such as requisitions, issue hand receipts, tool checks, and stock record books, used to control items issued from tool cribs, tool rooms, and stockrooms.

(i) Discrepancies incident to shipment - all deficiencies incident to shipment of Government property to or from a Contractor's facility whereby differences exist between the property purported to have been shipped and property actually received. Such deficiencies include loss, damage, destruction, improper status and condition coding, errors in identity or classification, and improper consignment.

(j) Facilities - when used in other than a facilities contract, means property used for production, maintenance, research, development, or testing. It includes plant equipment and real property. It does not include material, special test equipment, special tooling, or agency-peculiar property.

(k) Facilities contract - a contract under which Government facilities are provided to a Contractor; or subcontractor by the Government for use in connection with performing one or more related contracts for supplies or services. A "related contract" as used in this clause, means a Government contract or subcontract for supplies or services under which the use of the facilities is or may be authorized. It is used occasionally to provide special tooling or special test equipment. Facilities contracts may take any of the following forms:

(1) Facilities acquisition contract providing for the acquisition, construction, and installation of facilities.

(2) Facilities use contract providing for the use, maintenance, accountability, and disposition of facilities.

(3) A consolidated facilities contract, which is a combination of facilities acquisition and a facilities use contract.

(l) Government-furnished property (GFP) - property in the possession of, or directly acquired by, the Government and subsequently made available to the Contractor.

(m) Government production and research property - Government-owned facilities, Government owned special test equipment, and special Blank Side-tooling to which the Government has title or the right to acquire title.

(n) Government property - all property owned by or leased to the Government or acquired by the Government under the terms of the contract. It includes both Government-furnished property and Contractor-acquired property as defined in this section.

(o) Individual item record - a separate card, form, document or specific line(s) of computer data used to account for one item of property.

(p) Line item - a single line entry on a reporting form that indicates a quantity of property having the same description and condition code from any one contract at any one reporting location.

- (q) Material - property that may be incorporated into or attached to a deliverable end item or that may be consumed or expended in performing a contract. It includes assemblies, components, parts, raw and processed materials, and small tools and supplies that may be consumed in normal use in performing a contract.
- (r) Nonprofit organization - any corporation, foundation, trust, or institution operated for scientific, educational, or medical purposes, not organized for profit, and no part of the net earnings of which inures to the benefit of any private shareholder or individual.
- (s) Nonseverable - when related to Government production and research property, means property that cannot be removed after erection or installation without substantial loss of value or damage to the property or to the premises where installed.
- (t) Personal property - property of any kind or interest in it, except real property, records of the Federal Government, and naval vessels of the following categories: battleships, cruisers, aircraft carriers, destroyers, and submarines.
- (u) Plant clearance - all actions relating to the screening, redistribution, and disposal of Contractor inventory from a Contractor's plant or work site. The term 'Contractor's plant' includes a Contractor-operated Government facility.
- (v) Plant clearance officer - an authorized representative of the Contracting Officer assigned responsibility for plant clearance.
- (w) Plant clearance period - the period beginning on the effective date of contract completion or termination and ending 90 days (or such longer period as may be agreed to) after receipt by the Contracting Officer of acceptable inventory schedules for each property classification. The final phase of the plant clearance period means that period after receipt of acceptable inventory schedules.
- (x) Plant equipment - personal property of a capital nature (including equipment, machine tools, test equipment, furniture, vehicles, and accessory and auxiliary items) for use in manufacturing supplies, in performing services, or for any administrative or general plant purpose. It does not include special tooling or special test equipment.
- (y) Precious metals - uncommon and highly valuable metals characterized by their superior resistance to corrosion and oxidation. Included are silver, gold, and the platinum group metals-platinum, palladium, iridium, osmium, rhodium, and ruthenium.
- z) Property - all property, both real and personal. It includes facilities, material, special tooling, special test equipment, and agency-peculiar property.
- (aa) Property Administrator (PA) - an authorized representative of Contracting Officer assigned to administer the contract requirements and obligations relating to Government property.
- (bb) Public body - any State, Territory, or possession of the United States, any political subdivision thereof, the District of Columbia, the Commonwealth of Puerto Rico, any agency or instrumentality of any of the foregoing, any Indian tribe, or any agency of the Federal Government.
- (cc) Real property - land and rights in land, ground improvements, utility distribution systems, and buildings and other structures. It does not include foundations and other work necessary for installing special tooling, special test equipment, or plant equipment.
- (dd) Reportable property - Contractor inventory that must be reported for screening in accordance with this subpart before disposition as surplus, to a separate contract or to a special contract requirement governing their use or disposition.

(ee) Reporting activity - the Government activity that initiates the Standard Form 120, Report of Excess Personal Property (or when acceptable to GSA, by data processing output).

(ff) Salvage - property that because of its worn, damaged, deteriorated, or incomplete condition or specialized nature, has no reasonable prospect of sale or use as serviceable property without major repairs, but has some value in excess of its scrap value.

(gg) Scrap - personal property that has no value except for its basic material content.

(hh) Screening completion date - the date on which all screening required by this subpart is to be completed. It includes screening within the Government and the donation screening period.

(ii) Serviceable or usable property - property that has a reasonable prospect of use or sale either in its existing form or after minor repairs or alterations.

(jj) Special test equipment - either single or multipurpose integrated test units engineered, designed, fabricated, or modified to accomplish special purpose testing in performing a contract. It consists of items or assemblies of equipment including standard or general purpose items or components that are interconnected and interdependent so as to become a new functional entity for special testing purposes. It does not include material, special tooling, facilities (except foundations and similar improvements necessary for installing special test equipment), and plant equipment items used for general plant testing purposes.

(kk) Special tooling - jigs, dies, fixtures, molds, patterns, taps, gauges, other equipment and manufacturing aids, all components of these items, and replacement of these items, which are of such a specialized nature that without substantial modification or alteration their use is limited to the development or production of particular supplies or parts thereof or to the performance of particular services. It does not include material, special test equipment, facilities (except foundations and similar improvements necessary for installing special tooling), general or special machine tools, or similar capital items.

(ll) Stock record - perpetual inventory record which shows by nomenclature the quantities of each item received and issued and the balance on hand.

(mm) Summary Record - a separate card, form, document or specific line(s) of computer data used to account for multiple quantities of a line item of special tooling, special test equipment, or plant equipment costing less than \$5,000 per unit.

(nn) Surplus property - Contractor inventory not required by any Federal agency.

(oo) Surplus release date (SRD) - the date on which screening of personal property for Federal use is completed and the property is not needed for any Federal use. On that date, property becomes surplus and is eligible for donation.

(pp) Termination inventory - any property purchased, supplied, manufactured, furnished, or otherwise acquired for the performance of a contract subsequently terminated and properly allocable to the terminated portion of the contract. It includes Government-furnished property. It does not include any facilities, material, special test equipment, or special tooling that are subject to a separate contract or to a special contract requirement governing their use or disposition.

(qq) Utility distribution system - includes distribution and transmission lines, substations, or installed equipment forming an integral part of the system by which gas, water, steam, electricity, sewerage, or other utility services are transmitted between the outside building or structure in which the services are used and the point of origin, disposal, or connection with some other system. It does not include communication services.

(rr) Work-in-process - material that has been released to manufacturing, engineering, design or other services under the contract and includes undelivered manufactured parts, assemblies, and products, either complete or incomplete.

(End of clause)

3.10.3-2 Government Property - Basic Clause (April 2004)

Government property is all property owned by or leased to the Government/FAA or acquired by the Government/FAA under the terms of the contract. It includes both Government-furnished property and Contractor-acquired property. Government and FAA are synonymous throughout this document.

(a) Government-Furnished Property.

(1) The FAA should deliver to the Contractor, for use in connection with and under the terms of this contract, the Government-furnished property (GFP) also referred to as Federal Aviation Administration (FAA) Furnished Property, collectively known as Government property described in the Schedule or specifications together with any related data and information that the Contractor may request and is reasonably required for the intended use of the GFP.

(2) The delivery or performance dates for this contract are based upon the expectation that GFP suitable for use (except for GFP "as is") will be delivered to the Contractor at the times stated in the Schedule or, if not so stated, in sufficient time to enable the Contractor to meet the contract's delivery or performance dates.

(3) If the Contractor receives GFP in a condition not suitable for the intended use, the Contractor shall, upon receipt, notify the Contracting Officer (CO), detailing the facts, and, as directed by the Property Administrator and at FAA expense, either repair, modify, return, or otherwise dispose of the property. After completing the directed action and upon written request of the Contractor, the Contracting Officer may make an equitable adjustment as provided in Section A (e) of this clause.

(4) If GFP is not delivered to the Contractor by the required time, the Contracting Officer will, upon the Contractor's timely written request, make a determination of the delay, if any, caused the Contractor and shall make an equitable adjustment in accordance with Section A (e) of this clause.

(b) Changes in Government-furnished property.

(1) The Contracting Officer may, by written notice, decrease GFP provided or to be provided under this contract, or substitute other GFP for the property to be provided by the Government, or to be acquired by the Contractor for the Government, under this contract. The Contractor shall promptly take such action as the Property Administrator may direct regarding the removal, shipment, or disposal of the GFP covered by such notice.

(2) Upon the Contractor's written request, the Contracting Officer, will make an equitable adjustment to the contract in accordance with paragraph (h) of this clause, if the Government has agreed in the Schedule to make the property available for performing this contract and there is any;

- (i) Decrease or substitution in this property pursuant to subparagraph (b)(1) above; or
- (ii) Withdrawal of authority to use this property, if provided under any other contract or lease.

(c) Title in Government property.

The Government shall retain title to all GFP and Contractor-acquired property (CAP) (collectively referred to as "Government property").

(d) Use of Government property

The Government property shall be used only for performing this contract unless otherwise provided in this contract or approved by the Contracting Officer.

.Section A - Management of Government Property in Contractor's Possession

(a) The Contractor shall be directly responsible and accountable for all Government property provided under this contract, including GFP and CAP in the possession or control of a subcontractor and should comply with associated Federal Aviation Administration (FAA) property clauses and contract requirements.

(b) The Contractor shall establish and maintain a program for the use, maintenance, repair, protection, and preservation of Government property in accordance with sound industrial practice and the provisions of FAA Acquisition Management System (AMS) Clauses Section 3.10.3 Government Property in effect on the date of this contract. The provisions of the AMS Clauses Section 3.10.3 are hereby incorporated by reference and made a part of this contract.

(c) Access. The FAA and all its designees shall have access at all reasonable times to the premises in which any Government property is located for the purpose of inspecting the Government property.

(d) Risk of loss or damage to Government Property.

(1) Unless otherwise provided in this contract, the Contractor assumes the risk of, and shall be responsible for, any loss or destruction of, or damage to, Government property upon its delivery to the Contractor or upon passage of title to the Government under paragraph (c) Title in Government Property of this clause. However, the Contractor is not responsible for reasonable wear and tear to Government property or for Government property properly consumed in performing this contract.

(2) If damage occurs to Government property, the risk of which has been assumed by the FAA under this contract, the FAA will replace the items or the Contractor shall make such repairs as the FAA directs. However, if the Contractor cannot effect such repairs within the time required, the Contractor shall dispose of the property as directed by the Property Administrator. When any property for which the FAA is responsible is replaced or repaired, the Contracting Officer will make an equitable adjustment to GFP records in accordance with Section A (e) of this clause.

(e) Equitable adjustment. When this clause specifies an equitable adjustment, it shall be made to any affected contract provision in accordance with the procedures of the Changes clause. When appropriate, the Contracting Officer may initiate an equitable adjustment in favor of the FAA. The right to an equitable adjustment shall be the Contractor's exclusive remedy. The FAA will not be liable to suit for breach of contract for any delay in delivery of Government-furnished property; delivery of GFP in a condition not suitable for its intended use; a decrease in or substitution of GFP; or failure to repair or replace GFP for which the FAA is responsible.

(f) Final accounting and disposition of Government property. Upon completing this contract, or at such earlier dates as may be determined by the Contracting Officer, the Contractor shall submit, in a form acceptable to the Property Administrator, inventory schedules covering all items of Government property (including any resulting scrap) not consumed in performing this contract or delivered to the FAA. The Contractor shall prepare for shipment, deliver f.o.b. origin/f.o.b. destination, or dispose of the Government property as directed by the Contracting Officer. The net proceeds of any such disposal shall be credited to the contract price or shall be paid to the FAA as directed by the Contracting Officer.

(g) Abandonment and restoration of Contractor's premises. Unless otherwise provided herein, the FAA:

(1) May abandon any Government property in place, at which time all obligations of the FAA regarding such abandoned Government property shall cease; and

(2) Has no obligation to restore or rehabilitate the Contractor's premises under any circumstances (e.g., abandonment, disposition upon completion of need, or upon contract completion). However, if the GFP (listed in the Schedule or specifications) is withdrawn or is unsuitable for the intended use, or if other Government

property is substituted, then the equitable adjustment under Section A (e) of this clause may properly include restoration or rehabilitation costs.

(h) Communications. All communications under this clause shall be in writing.

(i) Overseas Contracts. If this contract is to be performed outside of the United States of America, its territories, or possessions, the words "Government" and "Government-furnished" (wherever they appear in this clause) shall be construed as "United States Government" and "United States Government-furnished," respectively.

(j) Contractor responsibility.

(1) In accordance with (b) above, the Contractor shall establish and maintain a property control system (PCS) to control, protect, preserve, use, maintain, and repair all Government property in accordance with sound industrial and business practices and the requirements of this contract. The PCS shall be in writing unless the Property Administrator determines that maintaining a written system is unnecessary. The PCS shall be reviewed and, if satisfactory, approved in writing by the Property Administrator.

(2) With regard to subcontractors, the PCS shall include procedures for the Contractor to maintain oversight of the GFP provided to subcontractors and require subcontractors to comply with contract requirements by flowing down all contract property requirements to subcontractors. The Contractor shall require its subcontractors possessing or controlling GFP to adequately safeguard and maintain GFP and that it is used only as authorized by the contract.

(3) The PCS shall include procedures to ensure property disposition is in accordance with the instructions of the Contracting Officer or designated representative, including any return to the supplier for appropriate credit whenever feasible.

Section B - Review and Correction of Contractors' Property Control Systems (April 2004)

(a) The review and approval of a contractor's property control system shall be accomplished by the agency responsible for contract administration at a contractor's plant or installation. If another Government agency has reviewed and approved the Contractor's property control system, the FAA may accept that approval if there is an interagency agreement with the approving agency. Otherwise, the Property Administrator will conduct a property control system review.

(b) The Contracting Officer or the representative assigned the responsibility as Property Administrator shall review contractors' property control systems to ensure compliance with the Government property clauses of the contract.

(c) The Property Administrator shall notify the Contractor in writing when its property control system does not comply with FAA's contract requirements and shall request prompt correction of deficiencies. If the Contractor does not correct the deficiencies within a specified period of time, the Property Administrator shall request action by the Contracting Officer administering the contract. The Contracting Officer shall-

(1) Notify the Contractor in writing of any required corrections and establish a schedule for completion of actions:

(2) Caution the Contractor that failure to take the required corrective actions within the time specified will result in withholding or withdrawing system approval; and

(3) Advise the Contractor that its liability for loss of or damage to Government property may increase if approval is withheld or withdrawn.

(4) Audit of property control system.

The FAA may audit the Contractor's PCS as frequently as conditions warrant. These audits may take place at any time during contract performance, upon contract completion or termination, or at any time thereafter during

the period the Contractor is required to retain such records. The Contractor shall make all such records and related correspondence available to the auditors.

Section C - Contractor's Liability (April 2004)

(a) Subject to the terms of the contract and the circumstances surrounding the particular case, the Contractor may be liable for shortages, loss, damages, or destruction of Government property. The Contractor may also be liable when the use or consumption of Government property unreasonably exceeds the allowances provided for by the contract, the bill of material, or other appropriate criteria.

(1) The Contractor shall investigate and report to the Property Administrator and the Contracting Officer's Technical Representative, all cases of loss, damage or destruction of Government property in its possession or control as soon as the facts become known or when requested by the Property Administrator. A report shall be furnished when completed and accepted products or end items are lost, damaged or destroyed while in the Contractor's possession or control.

(2) The Contractor shall require any of its subcontractors possessing or controlling Government property accountable under the contract to investigate and report all instances of loss, damage or destruction of such property.

Section D - Relief from Responsibility (April 2004)

(a) Unless the contract or Contracting Officer provides otherwise, the Contractor should be relieved of property control responsibility for Government property under the following circumstances:

(1) The Property Administrator determines that reasonable and proper consumption of property in the performance of the contract has occurred.

(2) The Property Administrator authorizes retention by the Contractor in return for appropriate consideration from the Contractor;

(3) The Property Administrator authorizes the sale of property, provided the proceeds are returned to the Government;

(4) The property is transferred to another contractor.

(b) Nonprofit organizations are relieved of responsibility for property when title to the property is transferred to the Contractor.

Section E - Acquisition of Government Property (April 2004)

(a) The Contractor may obtain Government property through a transfer from an FAA office, another contract, or by securing excess property. The Contractor may be authorized to acquire property by purchasing it from GSA supply sources (this requires a special contract authorization) from a private vendor, or may be required to fabricate, lease or rent the property. Regardless of how the Contractor acquires property; the Contracting Officer must authorize any use of Government property, under a FAA contract in writing.

(b) The Contractor's property control system shall include procedures to ensure that; acquisition authority exists; items ordered are in accordance with quantities specified in the contract; existing equipment on-hand is screened before submitting requisitions; and, material controls are established.

(c) Receipts for Government property.

The Contractor shall provide written receipts for all Contractor-acquired property before submitting its request for payment for the property. For FAA-furnished property, the Contractor shall provide the required receipt

immediately upon receipt of the property. All receipts shall be provided to the Contracting Officer's Technical Representative (COTR).

(d) Discrepancies incident to shipment.

(1) Government-furnished property. If overages, shortages, or damages are discovered upon receipt of GFP, the Contractor shall provide a statement of the condition and apparent causes to the COTR. Official records shall reflect the quantity actually received.

(2) Contractor-acquired property. The Contractor shall remedy overages, shortages, or damages in shipment of Contractor-acquired property from a vendor or supplier. However, when the shipment has moved by Bill of Lading and carrier liability is indicated, the Contractor shall report the discrepancy in accordance with paragraph (1) above.

Section F - Special Tooling (April 2004)

(a) Title. The Government retains title to Government-owned special tooling and option to take title to all special tooling subject to this clause until such time as title or option to take title is relinquished by the Contracting Officer as provided for in subparagraphs (i)(2) and (i)(3) Section F of this clause.

(b) Risk of loss. Except to the extent that the Government shall have otherwise assumed the risk of loss to special tooling applicable to this clause, in the event of the loss, theft or destruction of or damage to any such property, the repair or replacement shall be accomplished by the Contractor at its own expense.

(c) Special tooling furnished by the Government.

(1) Except as otherwise provided in this contract, all Government-furnished special tooling is provided "as is". The Government makes no warranty whatsoever with respect to special tooling furnished "as is," except that the property is in the same condition when placed at the f.o.b. point specified in the solicitation as when last available for inspection by the Contractor under the solicitation.

(2) The Contractor may repair any special tooling made available on an "as is" basis. Such repair will be at the Contractor's expense, except as otherwise provided in this clause. Such property may be modified as necessary for use under this contract at the contractor's expense, except as otherwise directed by the Contracting Officer. Any repair or modification of property furnished "as is" shall not affect the title of the Government.

(3) If there is any change in the condition of special tooling furnished "as is" from the time inspected or last available for inspection under the solicitation to the time placed on board at the location specified in the solicitation or the Government directs a change in the quantity of special tooling furnished or to be furnished, and such change will adversely affect the Contractor, the Contractor shall, upon receipt of the property, notify the Contracting Officer detailing the facts, and, as directed by the Contracting Officer, either:

(i) return such items at the Government's expense or otherwise dispose of the property, or

(ii) effect repair to return the property to its condition when inspected under the solicitation or, if not inspected, last available for inspection under the solicitation.

After completing the directed action and upon written request of the Contractor, the Contracting Officer shall equitably adjust any contractual provisions affected by the return, disposition, or repair in accordance with procedures provided for in the Changes clause of this contract. The foregoing provisions for adjustment are the exclusive remedy available to the Contractor, and the Government shall not be otherwise liable for any delivery of special tooling in a condition or in quantities other than that when originally offered.

(d) Use of special tooling.

The Contractor may use special tooling subject to this clause on other Government effort when specifically approved in writing by the Contracting Officer for this contract and the Contracting Officer for the contract under which the special tooling will be used. Any other use of the special tooling should be subject to advance written approval of the Contracting Officer. In the event the Government elects to remove any special tooling that is required for continued contract performance, the contract shall be equitably adjusted in accordance with paragraph (l) Section F of this clause.

(e) Property control.

(1) Records. The Contractor's special tooling records shall provide the following minimum information regarding each item of special tooling subject to this clause and shall be made available for Government inspection at all reasonable times:

(i) Number or code of the contract to which the tooling is accountable and the number or code of the contract for which the tooling was originally acquired or fabricated.

(ii) Retention codes as defined below:

(A) Primary Code. Assign one of the following to each item of special tooling:

Code A. Spares Tooling. Required to produce a provisioned spare part or assembly.

Code B. Judgment (Insurance) Tooling. Fabrication tools for parts that are not provisioned spares but which in the judgment of the Contractor will be required at some time for logistic support of the end item.

Code C. Rate Tooling. Necessary to economically produce increased rates (e.g., for mobilization or surge) but not essential for parts fabrication at low production rates.

Code D. Assembly Tooling. Required for manufacture of the end product but not required for production of spare parts. Those items having no postproduction need except for potential modification or resumed production programs.

(B) Secondary Code. Assign one or more of the following codes, as applicable, to each item of special tooling:

Code 1. Repair Tooling. Items that are capable of being used for repair of provisioned parts or assemblies.

Code 2. Replaceable Tooling. Spares or judgment tooling (primary retention codes A or B) which, in the opinion of the Contractor, can be effectively and economically replaced by "soft" tooling on an "as required" basis in lieu of retention of the "hard" production tooling for supporting postproduction requirements.

Code 3. Maintenance Tooling. Items that are capable of being used for depot level maintenance of the applicable end item or components thereof.

Code 4. Crash Damage Tooling. Items which apply to provisioned or nonprovisioned parts or assemblies which are designated as or have the potential of being required for crash damage repairs.

(iii) Nomenclature, function, or comparable code.

(iv) Tool part number or code.

(v) Tool identification number, or quantity of each tool part number or code, if tool identification number is not assigned.

(vi) Part number(s) of item(s) on which used (complete hierarchy of part numbers).

(vii) Unit price. (Estimates are acceptable.)

(viii) Storage method code. Assign one of the following:

Code J. Inside storage.

Code K. Outside storage.

Code L. Other.

(ix) Estimated weight of tool, if over 25 pounds.

(x) Estimated volume of tool, if over 3 cubic feet.

(xi) Location of Contractor, subcontractor, vendor for each item. Use Federal Supply Code for Manufacturers (FSCM), or name and address if code is not available.

(xii) All operation sheets or other data as are necessary to show the manufacturing operation or processes for which such items were used, designed, or modified.

(2) Identification or tagging. To the extent practicable, the Contractor shall identify all special tooling subject to this clause in accordance with the Contractor's identification procedures.

(f) Maintenance. The Contractor shall maintain special tooling in accordance with sound industrial practice. These requirements do not apply to those items designated by the Contracting Officer for disposal as scrap or identified as of no further interest to the Government under paragraph (i) Section F of this clause.

(g) Identification of excess special tooling. The Contractor shall promptly identify and report all special tooling in excess of the amounts needed to complete full performance under this contract (see subdivision (h)(2)(i) Section F of this clause).

(h) Lists of special tooling. The Contractor shall periodically prepare and distribute lists of special tooling as described below:

(1) Special tooling list.

The list shall be furnished within 60 days after delivery of the first production end item under this contract or completion of the initial provisioning process, whichever is later, and shall include all special tooling subject to this clause as of the reporting date. However, if this contract represents the final production contract, the Contractor shall provide this list of all tools not later than 180 days prior to scheduled delivery of the last production end item. If this is a contract for storage of special tooling, the list shall be provided within 60 days of contract implementation.

(2) Excess special tooling list.

(i) Excess special tooling. Except for items subject to subdivision (h)(2)(ii) Section F of this clause, lists of special tooling excess to this contract shall be furnished within 60 days of the date that the item is determined to be excess. The Contractor shall include in this list the information prescribed in Format of lists, subparagraph (h)(3) Section F of this clause, as well as the applicable excess code as follows:

Code V. Excess to contract requirements with no follow-on requirements.

Code W. Excess to contract requirements but can be used to support actual or anticipated follow-on requirements.

Code X. Excess due to changes in design or specification of the end items.

Code Y. Excess due to nonserviceable or nonrepairable condition.

Code Z. Other.

(ii) Termination inventory. The Contractor shall submit these items on SF 1432 Inventory Schedule D (Special Tooling and Special Test Equipment) and SF 1433 Inventory Schedule D (Continuation Sheet). The Contractor may use computer generated inventory schedules provided no change is made in the name, content, or sequence of the data elements. All essential elements of data must be included and the form must be signed. Format and content of this submission will be as prescribed by subparagraph (h)(3) Format of lists, of this clause. When subcontractor termination inventory is involved, the subcontractor shall execute the certificate (SF 1432/SF 1433).

(3) Format of lists. Lists furnished by the Contractor shall state the type of list and shall include all information from subparagraph (e)(1), Records, of this clause, items (i) through (xii). All lists will be grouped by primary retention code as prescribed in subdivision (e)(1)(ii)(A) of this clause and further listed in tool part number sequence.

(4) Distribution of lists. The Contractor shall submit two copies of lists to each of the following recipients unless otherwise directed:

- (i) The Contracting Officer.
- (ii) The Contracting Officer's Technical Representative
- (iii) The Administrative Contracting Officer.
- (iv) The inventory control point designated by the contracting office.

(v) Disposition instructions.

The Contracting Officer shall provide the Contractor with written disposition instructions within 180 days of receipt of the list as prescribed by subparagraph (h)(1) of this clause and within 90 days of the receipt of excess special tooling lists reported in accordance with subparagraph (h)(2) of this clause. The Contracting Officer may direct disposition by any of the methods listed in subparagraphs (i)(1) through (i)(3) of this clause, or a combination of such methods. The Contractor shall comply with such disposition instructions.

(1) The Contracting Officer may identify specific items of special tooling to be retained or give the Contractor a list specifying the products, parts, or services including follow-on requirements for which the Government may require special tooling and request the Contractor to identify all usable items of special tooling on hand that were designed for or used in the production or performance of such products, parts, or services. Once items of usable special tooling required by the Government are identified, the Contracting Officer may:

- (i) Direct the Contractor to transfer specified items of special tooling to follow-on contracts requiring their use. Those items shall be furnished for use on the contract(s) as specified by the Contracting Officer and shall be subject to the provisions of the gaining contract(s); or
- (ii) Request the Contractor to enter into an appropriate storage contract for special tooling specified to be retained by the Contractor for the Government. Tooling to be stored shall be stored pursuant to a storage contract between the Government and the Contractor; or

(iii) Direct the Contractor to transfer title to the Government (to the extent not previously transferred) and deliver to the Government those items of special tooling, which are specified for removal from the Contractor's plant.

(2) The Contracting Officer may direct the Contractor to sell, or dispose of as scrap, for the account of the Government, any special tooling not specified by the Government pursuant to subparagraph (i)(1) of this clause. To the extent that the Contractor incurs any costs occasioned by compliance with such direction, for which it is not otherwise compensated, the contract price shall be equitably adjusted in accordance with the Changes clause of this contract. The net proceeds of all sales shall either be credited to the cost of contract performance or shall be otherwise paid to the Government as directed by the Contracting Officer. Sale of special tooling to the prime Contractor or any of its subcontractors is subject to the prior written approval of the Contracting Officer.

(3) The Contracting Officer may furnish the Contractor with a statement disclaiming further Government interest or right in specified special tooling.

(4) Restoration of Contractor's premises. Unless otherwise provided in this contract, the Government has no obligation to restore or rehabilitate the Contractor's premises under any circumstances (e.g., abandonment, disposition upon completion of need, or upon contract completion). However, if special tooling is withdrawn or if other special tooling is substituted, then the equitable adjustment under paragraph (l) Section F of this clause may properly include restoration or rehabilitation costs.

(j) Access to special tooling. The Contractor shall provide access to special tooling subject to this clause at all reasonable times to all individuals designated by the Contracting Officer.

(k) Storage or shipment. The Contractor shall promptly arrange for either the shipment or the storage of special tooling specified in accordance with the final disposition instructions in subdivisions (i)(1)(ii) or (i)(1)(iii) of this clause. Tooling to be shipped shall be properly packaged, packed, and marked in accordance with the directions of the Contracting Officer. All operation sheets or other appropriate data necessary to show the manufacturing operations or processes for which the items were used or designed shall accompany special tooling to be shipped or stored or shall otherwise be provided to the Government as directed by the Contracting Officer. To the extent that the Contractor incurs costs for storage, shipment, packing, crating, or handling under this paragraph and not otherwise compensated for, the contract price shall be equitably adjusted in accordance with the Changes clause of this contract.

(l) Equitable adjustment. When this clause specifies an equitable adjustment, it shall be made to any affected contract provision in accordance with the procedures of the Changes clause. When appropriate, the Contracting Officer may initiate an equitable adjustment in favor of the Government. The right to an equitable adjustment shall be the contractor's exclusive remedy. The Government shall not be liable to suit for breach of contract for:

- (1) Any delay in delivery of Government-furnished special tooling;
- (2) Delivery of Government-furnished special tooling in a condition not suitable for its intended use;
- (3) A decrease in or substitution of specified tooling; or

(4) Failure to repair or replace Government-furnished special tooling for which the Government is responsible.

(m) Subcontract provisions. In order to perform this contract, the Contractor may place subcontracts (including purchase orders) involving the use of special tooling. If the full cost of the tooling is charged to those subcontracts, the Contractor agrees to include in the subcontract appropriate provisions to obtain Government rights and data comparable to the rights of the Government under this clause (unless the Contractor and Contracting Officer agree in writing that such rights are not of interest to the Government). The Contractor agrees to exercise such rights for the benefit of the Government as directed by the Contracting Officer.

Section G - Special Test Equipment (April 2004)

(a) The Contractor may either acquire or fabricate special test equipment at FAA expense when the equipment is not otherwise itemized in this contract and the prior approval of the Contracting Officer has been obtained. The Contractor shall provide the Contracting Officer with a written notice, at least 30 days in advance, of the Contractor's intention to acquire or fabricate the special test equipment. As a minimum, the notice shall also include an estimated aggregate cost of all items and components of the equipment the individual cost of which is less than \$5,000, and the following information on each item or component of equipment costing \$5,000 or more:

(1) The end use application and function of each proposed special test unit, identifying special characteristics and the reasons for the classification of the test unit as special test equipment.

(2) A complete description identifying the items to be acquired and the items to be fabricated by the Contractor.

(3) The estimated cost of the item of special test equipment or component.

(4) A statement that intra-plant screening of Contractor and FAA-owned special test equipment and components has been accomplished and that none are available for use in performing this contract.

(b) The FAA may furnish any special test equipment or components rather than approve their acquisition or fabrication by the Contractor. Such FAA-furnished items shall be subject to the Government property clause; except that the FAA should not be obligated to deliver such items any sooner than the Contractor could have acquired or fabricated them after expiration of the 30-day notice period in paragraph (a) Section G of this clause. However, unless the FAA notifies the Contractor of its decision to furnish the items within the 30-day notice period, the Contractor may proceed to acquire or fabricate the equipment or components subject to any other applicable provisions of this contract.

(c) The Contractor shall, in any subcontract that provides that special test equipment or components may be acquired or fabricated for the FAA, insert provisions that conform substantially to the language of this clause, including this paragraph (d). The Contractor shall furnish the names of such subcontractors to the Contracting Officer.

(d) If an engineering change requires either the acquisition or fabrication of new special test equipment or substantial modification of existing special test equipment the Contractor shall comply with Section G, paragraph (a) above. In so complying, the Contractor shall identify the change order, which requires the proposed acquisition, fabrication, or modification.

Section H - Government Furnished Information (April 2004)

(a) The Contractor shall manage Government Furnished Information (GFI) as any other Government asset in accordance with the terms of the contract. The Contractor shall record all GFI promptly upon receipt.

(b) When practical, the Contractor shall tag or label the GFI indicating FAA ownership and contract number, as a minimum. The GFI shall be used only for the performance of this contract, unless otherwise approved by the Contracting Officer.

(c) Special controls shall be provided to safeguard sensitive GFI. Access to sensitive GFI shall be limited. Records shall be maintained to track the movement of GFI. Inventory reports of GFI shall be provided in accordance with the terms and conditions of the contract.

(d) When GFI is no longer required for the contract, the Contractor shall notify the FAA in writing and request disposal instructions. Unless otherwise specified in the contract, all GFI shall be returned to FAA in the original format delivered to the Contractor.

(e) The Contractor shall establish a flowdown of responsibility for property control provisions to subcontractors that have Government furnished information in their possession and control.

Section I - Government Property Furnished "As Is" (April 2004)

(a) The FAA makes no warranty whatsoever with respect to Government property furnished "as is," except that the property is in the same condition when placed at the f.o.b. point specified in the solicitation as when inspected by the Contractor pursuant to the solicitation or, if not inspected by the Contractor, as when last available for inspection under the solicitation.

(b) The Contractor may repair any property made available on an "as is" basis. Such repair will be at the Contractor's expense except as otherwise provided in this clause. Such property may be modified at the Contractor's expense, but only with the written permission of the Contracting Officer. Any repair or modification of property furnished "as is" shall not affect the title of the Government.

(c) If there is any change in the condition of Government property furnished "as is" from the time inspected or last available for inspection under the solicitation to the time placed on board at the location specified in the solicitation, and such change will adversely affect the Contractor, the Contractor shall, upon receipt of the property, notify the Contracting Officer detailing the facts and, as directed by the Contracting Officer, either (1) return such property at the Government's expense or otherwise dispose of the property or (2) effect repairs to return the property to its condition when inspected under the solicitation or, if not inspected, last available for inspection under the solicitation. After completing the directed action and upon written request of the Contractor, the Contracting Officer shall equitably adjust any contractual provisions affected by the return, disposition, or repair in accordance with the procedures provided for in the Changes clause of this contract. The foregoing provisions for adjustment are the exclusive remedy available to the Contractor, and the Government shall not be otherwise liable for any delivery of Government property furnished "as is" in a condition other than that in which it was originally offered.

(d) Except as otherwise provided in this clause, Government property furnished "as is" shall be governed by the Government Property clause of this contract.

Section J - Identification of Government Property (April 2004)

(a) Upon receipt of Government property, the Contractor shall promptly:

- (1) Identify the property in accordance with agency regulations;
- (2) Mark the property in accordance with this section; and
- (3) Record the property in its property control records.

(b) (1) Except for the following, the Contractor shall mark all Government property with an identifier of FAA ownership:

- (i) Items issued to individuals for use in their work (e.g., protective clothing or tool crib tools) where adequate physical control is maintained over the items.
 - (ii) Property of a bulk type, or where its general nature of packing or handling precludes adequate marking.
 - (iii) Where the Property Administrator agrees that marking is impractical.
- (2) Exempted items shall be entered and described on the accountable property records.

(c) (1) In addition to marking with an indication of Government ownership, the following property shall be marked with a serial number in accordance with procedures approved by the Property Administrator:

(i) Special tooling.

(ii) Special test equipment.

(iii) Components of special test equipment that have an acquisition cost of \$5,000 or more and are incorporated in a manner that makes removal and reutilization feasible and economical.

(iv) Plant equipment.

(v) Accessory or auxiliary equipment associated with a specific item of plant equipment that is recorded on the property records, if necessary to assure return with the associated basic item.

(2) The Contractor shall record assigned numbers on all applicable documents pertaining to the property control system.

(3) If the property is included in a standard agency registration system, the Contractor may use the property's registration number as the serial number. The Contractor shall obtain the registration number through the Property Administrator from the owning agency.

(d) The markings in Section J paragraphs (b) and (c) of this section shall be:

(1) securely affixed to the property,

(2) legible, and

(3) conspicuous.

Examples of appropriate markings are bar coding, decals, and stamping. If marking will damage the property or is otherwise impractical, the Contractor shall promptly notify the Property Administrator and ask for the item to be exempted (see paragraph (b) of this clause). Markings shall be removed or obliterated when Government property is sold, scrapped, or donated.

Section K - Records and Reports of FAA Property (April 2004)

(a) The Contractor's property control records shall constitute the FAA's official property records unless the Contracting Officer indicates otherwise. The Contractor shall establish and maintain adequate control records for all Government property, including property provided to and in the possession or control of a subcontractor. When a subcontractor has an approved property control system for Government property provided under its own prime contracts, the Contractor may use the records created and maintained under that system.

(b) The Contractor's property control system shall provide financial accounts for Government-owned property in the Contractor's possession or control until relieved of that responsibility. The system should be subject to internal control standards and be supported by property control.

(c) The Contractor's property control records shall identify all Government property and provide a complete, current, auditable record of all transactions. Records shall be accessible to authorized FAA personnel and safeguarded against destruction and tampering.

(d) The Contractor shall keep separate property records for each contract unless otherwise authorized by the Property Administrator.

(e) Special tooling and special test equipment fabricated from materials that are the property of the Government shall be recorded as Government-owned immediately upon fabrication. Special tooling and special test

equipment fabricated from materials that are the property of the Contractor shall be recorded as Government property at the time title passes to the Government.

(f) The Contractor shall establish property records for serviceable components permanently removed from items of Government property as a result of modification as the type established for components acquired separately.

(g) The Contractor's property control system shall contain a system or technique to locate any item of Government property within a reasonable period of time.

(h) Basic information.

(1) Unless summary records are used as authorized under subparagraph (f)(2) of this clause, the Contractor's property control records shall provide the following basic information for every item of Government property in the Contractor's possession, regardless of value:

- (i) The name, description, and National Stock Number (if furnished by the FAA or available in the property control system).
- (ii) Quantity received (or fabricated), issued, and on hand.
- (iii) Unit price (and unit of measure).
- (iv) Contract number or equivalent code designation.
- (v) FAA Decal number
- (vi) Acquisition date
- (vii) Manufacturer's name, model and serial numbers
- (viii) Condition Code
- (ix) Location.
- (x) Disposition.
- (xi) Posting reference and date of transaction.

(2) Summary records are normally adequate for special tooling, special test equipment, and plant equipment costing less than \$5,000 per unit, except where the Property Administrator specifies that individual item records are necessary for effective control, calibration, or maintenance. Summary records shall provide the information listed in paragraphs (h) (1)(i) through (1)(xi) above, but may reference a general location, provided the Contractor can locate the property within a reasonable period of time.

(i) Records of pricing information. Requirement for unit prices.

(1) The Contractor's property control system shall contain the unit price for each item of Government property except as provided in (2) below. When a Contractor records the unit price of property on other than the quantitative inventory records, those supplementary records shall become part of the official Government property records.

(2) (Note: This subparagraph (2) does not apply to nonprofit organizations.) The requirement that unit prices be contained in the official Government property records does not apply to those separate property records located at a Contractor's secondary sites and subcontractor plants; provided, that:

(i) Records maintained by the prime Contractor at its primary site include unit prices; and

(ii) The prime Contractor agrees to furnish actual or estimated unit prices to the secondary site or subcontractor as the need arises.

(3) When definite information as to unit price cannot be obtained, reasonable estimates shall be used.

(j) Determining unit price.

(1) Contractor-acquired and Contractor-fabricated property.

Except for items fabricated by nonprofit organizations for research and development purposes, the unit price of Contractor-acquired and Contractor-fabricated property shall be determined in accordance with the system established by the Contractor in conformance with consistently applied sound accounting principles. The Contractor shall apply separate unit prices to items of special tooling and special test equipment fabricated or acquired by the Contractor unless the Property Administrator approves group pricing for special tooling, special test equipment, and work-in-process in accordance with the Contractor's acceptable cost accounting system. All processed material, fabricated parts, components, and assemblies charged to the Contractor's work-in-process inventory, including items in temporary storage while awaiting processing, may be considered as work-in-process for this purpose.

(2) Government-furnished property. The FAA shall determine and furnish to the Contractor the unit price of Government-furnished property. Transportation and installation costs shall not generally be considered as part of the unit price for this purpose. Normally, the unit price of Government-furnished property will be provided on the document covering shipment of the property to the Contractor. In the event the unit price is not provided on the document, the Contractor shall take action to obtain the information.

(k) Records of material.

(1) General. The Contractor shall record, in accordance with contract requirements and the Contractor's property control system, the following:

(i) all Government material furnished to the Contractor,

(ii) all material to which title has passed to the FAA by reason of allocation from Contractor-owned stores,

(iii) all material acquired by the Contractor for direct charge to an FAA contract..

(2) Consolidated stock record. The Contractor shall not use consolidated stock records without the prior consent of the Property Administrator.

(3) Custodial records. The Contractor shall maintain custodial records for tool crib items, guard force items, protective clothing, and other items issued to individuals for use in their work.

(4) Use of receipt and issue documents. (Note: This paragraph (4) is not applicable to nonprofit organizations.) The Property Administrator may authorize the Contractor to maintain, in lieu of stock records, a file of appropriately cross-referenced documents evidencing receipt, issue, and use of Government-provided material that is issued for immediate consumption and is not entered in the inventory record. This method of control may be authorized for:

(i) Material charged through overhead;

(ii) Material under research and development contracts;

(iii) Subcontracted or outside production items;

(iv) Non stock or special items;

(v) Items that are produced for direct charge to a contract, or are acquired and issued for installation upon receipt, and involve no spoilage; and

(vi) Items issued from Contractor-owned inventory direct to production or maintenance, etc.

(5) Material issued directly upon receipt. (Note: This paragraph (5) applies only to nonprofit organizations.)

(i) Under fixed-price contracts, the Contractor's documents evidencing receipt and issue will be accepted as property control records for Government-furnished material issued directly by the Contractor upon receipt so as to be considered consumed under the contract.

(ii) Under cost-reimbursement contracts, FAA invoices, Contractor's purchase documents, or other evidence of acquisition and issue will be accepted as adequate property records for material furnished to or acquired by the Contractor and issued directly so as to be considered consumed under the contract.

(6) Multi contract cost and material control. (Note: This paragraph (6) does not apply to nonprofit organizations.)

(i) Description and scope. A multi contract cost and material control system substitutes a system of financial accounting for the requirements for physical identification of FAA material. The Contractor shall not use multi contract cost and material control without the prior consent of the Contracting Officer. (See (ii) below.) The system operates as follows:

(A) The Contractor may acquire, requisition, receive, store, and issue like items of material for the total requirements of all contracts involved in the system without identifying the material to each contract.

(B) The Contractor may commingle, during any stage of contract performance, Government-owned and Contractor-owned material and work-in-process that was furnished, acquired, or produced for all FAA contracts covered by the system, without physical segregation or identification to the individual contracts.

(C) In lieu of physical segregation and identification to individual contracts, periodic calculation of requirements and distribution of costs to all contracts permits the allocation of costs of material to products delivered. This system, by reflecting the material expended to perform each contract at any stage in production, permits usage analysis to determine the reasonableness of consumption and expenditure of Government material.

(D) The system may include all FAA contracts of any type that involve common repetitive operations.

(E) The system does not require commingling of all common materials under all contracts. For example, items of Government-furnished material of high value or in short supply may be excluded from commingling and reserved for use in performing the contract under which furnished.

(F) The Contractor shall take physical inventories of material in stores included in the systems (other than work-in-process) at least annually, extend and reconcile prices to the quantitative balance for each item, and record adjustments in the stock record and financial inventory control accounts. Such physical inventories and adjustments, as well as equitable distribution to cost accounts of any inventory losses, shall be reviewed by and are subject to the approval of the Property Administrator.

(ii) Criteria. A multicontract cost and material control system may be authorized if _

(A) The Contractor demonstrates that adopting the system would result in savings or improved operations or that it will otherwise be in the Government's interest;

(B) The system is applied to existing FAA contracts only and excludes materials acquired or costs incurred for non-FAA work or in anticipation of future FAA work; and

(C) The Contractor's accounting system is adequate to:

(aa) Provide on a complete and timely basis a clear 'audit trail' from costs of materials acquired for each contract to materials used or disposed of on each contract;

(bb) Reflect separately for Government-furnished and Contractor-acquired material in stores (except work-in-process) the inventory balances as affected by receipts, issues, adjustments, and other dispositions;

(cc) Determine unit costs for each identifiable part, component, subassembly, assembly, end item, and contract item;

(dd) Calculate amounts for cost reimbursements and progress payments during the life of the contract by applying or allocating such unit costs developed through each stage of work-in-process to contract items for the requirements of each contract; and

(ee) Assure that when Government material furnished for use under one contract is authorized for use on another contract, the initial contract receives credit.

(iii) Authorization. The Contracting Officer may authorize a Contractor who is performing or will perform more than one Government contract to use the multi contract cost and material control system. . The Property Administrator shall approve whatever detailed operating procedures are necessary for each system authorized.

(iv) Requirement. Whenever a multicontract cost and material control system is authorized, the Contractor's financial accounts shall include all material in the system acquired or furnished for FAA work and shall satisfy the requirements of this clause.

(l) Records of special tooling and special test equipment. (This sub-section does not apply to nonprofit organizations except for paragraph (3).)

(1) Unless the Property Administrator has authorized summary records, the Contractor's property control system shall provide the basic information listed above (h)(1) regarding each item of Government-owned special tooling and special test equipment, including any general purpose test equipment incorporated as components in such a manner that removal and reuse may be feasible and economical.

(2) If the Contractor uses group pricing of special tooling or special test equipment, as recognized above in (j), unit prices shall be computed when required.

(3) In the case of special tooling acquired or fabricated by nonprofit organizations or furnished by the FAA to nonprofit organizations for research and development, the Contractor may use invoices, Contractor's purchase document or other documents that evidence acquisition or issue may be accepted as adequate property control records.

(4) Records identifying special tooling and special test equipment shall include the identification number and item on which used.

(5) The Contractor shall, when specified by the contract, identify and report special tooling and special test equipment by retention category (e.g., assembly tooling or critical tooling for spares or replacements).

(m) Records of plant equipment.

(1) Unless the Property Administrator authorizes summary records, the Contractor shall maintain individual item records for each item of plant equipment.

(2) In addition to information required in Section K, paragraph (m) of this clause, the Contractor's records of Government-owned plant equipment, regardless of value, shall include:

(i) Federal Supply Code for the manufacturer (as listed in Cataloging Handbook H4-1 and H4-2) (available from the Superintendent of Documents, Government Printing Office (GPO), Washington, DC 20402);

(ii) Federal Supply Classification (Cataloging Handbooks H2-1, H2-2, and H2-3) (available from GPO);
and

(iii) The original manufacturer's model or part number.

(3) Unless otherwise authorized by the Property Administrator, the Contractor shall also include the following for each item of Government-owned plant equipment having a unit cost of \$5,000 or more:

(i) Serial number and year built (when available);

(ii) Government identification/tag number; and

(iii) Acquisition and disposition document references and dates.

(4) The Property Administrator may determine that the information in (3)(i) and (3)(ii) above shall be recorded in the property records for plant equipment costing less than \$5,000.

(5) The Contractor shall record accessory and auxiliary equipment on the record of the associated item of plant equipment. If the accessory or auxiliary item is not attached to, a part of, or acquired for use with a specific item of plant equipment, it shall be recorded either in an individual item record or in a summary stock record. When accessory and auxiliary items are permanently separated from the basic item of plant equipment, the unit price of the basic item shall be appropriately reduced.

(n) Records of real property.

(1) The Contractor shall maintain an itemized record of the description, location, acquisition cost, and disposition of all Government real property (including unimproved real property); all alterations, all construction work, and sites connected with such alteration and construction, acquired by purchase, lease, or otherwise. These records, including maps, drawings, plans, specifications, and supplementary data where necessary, shall:

(i) be complete,

(ii) show the original cost of the property and improvements and the cost of any changes and additions,
and

(iii) be appropriately indexed.

(2) Costs incurred by the Contractor or the FAA for new construction, including erection, installation, or assembly of Government real property in possession of the Contractor, shall be capitalized in the official Government real property records and financial accounts maintained by the Contractor for the FAA.

(3) Costs incurred for additions, expansions, extensions, conversions, alterations, and improvements, including applicable portions of capital maintenance, that increase the value, life, utility, capability, or serviceability of Government real property shall be capitalized.

(4) Costs incurred for portable buildings or facilities specifically constructed for tests that involve destruction of the facility shall not be capitalized in the Government real property records or financial accounts.

(5) Costs incurred for maintenance, repair, or rearrangement to maintain the Government real property in good physical condition, utility, capacity, or serviceability shall be charged to expense, and the real property records shall not be affected.

(6) When Government-owned real property is sold, transferred, donated, destroyed by fire or other cause, abandoned-in-place, or condemned, the financial accounts shall be reduced by the presently recorded costs and the real property records annotated with a supporting statement, including pertinent facts.

(o) Records of scrap or salvage.

(1) The Contractor shall maintain records of all scrap or salvage generated, except as provided in Section N. These records shall conform to the Contractor's established system of scrap and salvage control approved by the Property Administrator.

(2) The Contractor's property control system shall provide the following information:

(i) Contract number, if practical, or equivalent code designation from which the scrap or salvage derived.

(ii) Nomenclature or description of salvable items or classification (material content) of scrap.

(iii) Quantity on hand.

(iv) Posting reference and date of transaction.

(v) Disposition.

(p) Records of related data and information. The Contractor shall maintain property control and accountability, in accordance with sound business practice, of manufacturing or assembly drawings; installation, operation, repair, or maintenance instructions; and other similar information furnished to the Contractor by the FAA or generated or acquired by the Contractor under the contract and for which title vests in the FAA. The requirements of this subpart do not otherwise apply to such property.

(q) Records of completed products. The Contractor shall maintain a record of all completed products produced under a contract as follows:

(1) When there is no time lapse between FAA inspection and acceptance of the completed products and shipment from the plant site, the records shall, as a minimum, consist of a summary of quantities accepted and shipped. When end items are accepted by the FAA and stored with the Contractor awaiting, shipment, the record shall identify quantities stored, location, and disposition action.

(2) On contracts that provide for the Contractor to retain completed products for further use under the contract or other contracts, such items shall be considered 'Government-furnished property' upon acceptance and shall be recorded as required by this contract.

(3) When completed products are returned to a Contractor under the terms of a warranty clause, the Contractor shall maintain, by contract, a record containing a description of the items involved, quantities received and returned to the FAA, and other pertinent data necessary to determine that a proper accounting for all property has been made.

(r) Records of transportation and installation costs of plant equipment. (Note: This subsection does not apply to nonprofit organizations.)

(1) Transportation costs.

(i) The Contractor shall record within the property control system the transportation and installation costs directly borne by the FAA for each item of Government-owned plant equipment with an acquisition cost of

\$5,000 or more. The Property Administrator may require the Contractor to provide such recorded costs for use in computing rental charges.

(ii) If transportation costs are not included in the price of equipment delivered, the Contractor shall contact the Property Administrator for instructions for obtaining applicable freight data.

(2) Installation costs.

(i) When the Contractor performs installation, the cost shall be computed in accordance with the Contractor's accounting system (if the system is acceptable for other contract cost determination purposes) and recorded in the property record.

(ii) When installation is subcontracted, the Contractor shall record the cost paid to the subcontractor in the property record.

(iii) When installation costs are included in the price of equipment delivered to the using location, the Contractor shall annotate the property records accordingly.

(s) Records of misdirected shipments. The Contractor's property control system shall provide the following information regarding each misdirected shipment of Government property received:

(1) Identity of shipment, such as shipping document

3.10.3-2 Alternate I Government Property - Basic Clause Alternate I (April 2004)

(a) Title in Government property.

(1) Fixed price contracts.

Title to Government property shall not be affected by its incorporation into or attachment to any property not owned by the Government, nor shall Government property become a fixture or lose its identity as personal property by being attached to any real property.

(2) Title to each item of facilities and special test equipment acquired by the Contractor for the Government under this contract shall pass to and vest in the Government when its use in performing this contract commences or when the Government has paid for it, which ever is earlier, whether or not title previously vested in the Government.

(3) If this contract contains a provision directing the Contractor to purchase material for which the Government will reimburse the Contractor as a direct item of cost under this contract--

(a) Title to material purchased from a vendor shall pass to and vest in the Government upon the vendor's delivery of such material; and

(4) Title to all other material shall pass to and vest in the Government upon:

(a) Issuance of the material for use in contract performance;

(b) Commencement of processing of the material or its use in contract performance; or

(c) Reimbursement of the cost of the material by the Government, whichever occurs first.

(g) Risk of loss or damage to GFP.

(3) Fixed price. The Contractor assumes the risk of, and shall be responsible for, any loss or destruction of, or damage to, Government property upon its delivery to the Contractor (or upon passage of title to the Government under paragraph (c) of this clause). However, the Contractor is not responsible for reasonable wear and tear to Government property or for Government property properly consumed in performing this contract.

(End of clause)

3.14-2 Contractor Personnel Suitability Requirements (January 2009)

(a) This clause applies to the extent that this contract requires contractor employees, subcontractors, or consultants to have unescorted access to FAA:

(1) Facilities;

(2) Sensitive information; and/or;

(3) Resources regardless of the location where such access occurs, and none of the exceptions of FAA Order 1600.72A, Contractor and Industrial Security Program, Chapter 5, paragraphs 4, 6, 7 and 8 pertains.

Definitions of applicable terminology are contained in the corresponding guidance and FAA Order 1600.72A, appendix A.

(b) Consistent with FAA Order 1600.72A, the FAA Servicing Security Element (SSE) has approved designated risk levels for the positions under the contract. Those designated risk levels are:

<u>Position</u>	<u>Risk Level</u>
Supervisor	Level 5
Food Service Worker	Level 1

(c) If a National Agency Check with Inquiries (NACI) or other investigation is required under paragraph (b) for a given position, the contractor will submit to the Contracting Officer (CO) a point of contact (POC) that will enter applicant data into the Vendor Applicant Process (VAP) system (vap.faa.gov). VAP is a FAA system used to process and manage security information for FAA contractor personnel. Each contract may have up to 5 POCs. Once designated, a VAP administrator will provide each POC a Web ID and password.

The type of investigation conducted will be determined by the position risk level designation for all duties, functions, and/or tasks performed and will serve as the basis for granting a favorable employment suitability authorization as described in FAA Order 1600.72A. If an employee has had a previous U. S. Government conducted background investigation which meets the requirements of Chapter 5 of FAA Order 1600.72A and Homeland Security Presidential Directive 12 (HSPD-12), it will be accepted by the FAA. However, the FAA reserves the right to conduct further investigations, if necessary. The contract may include positions that are temporary, seasonal, or under escort only. In such cases, a FAA Form 1600-77 for each specific position will be established as the investigative requirements may differ from the NACI.

The following information must be entered into VAP by the POC for each applicant requiring an investigation:

- Name;
- Date and place of birth (city and state);
- Social Security Number (SSN);
- Position and office location;
- Contract number;
- Current e-mail address and telephone number (personal or work); and
- Any known information regarding current security clearance or previous investigations (e.g. the name of the investigating entity, type of background investigation conducted, contract number, labor category (Position), and approximate date the previous background investigation was completed).

If a prior investigation exists and there has not been a 2 year break in service by the applicant, the SSE will notify the contractor that no investigation is required and that final suitability is approved.

If no previous investigation exists, the SSE will send the applicant an e-mail (this step may be delegated to VAP POC):

- Stating that no previous investigation exists and the applicant must complete a form through the Electronic Questionnaires for Investigations Processing (eQIP) system;
- Instructing the applicant how to enter and complete the eQIP form;
- Providing where to send/fax signature and release pages and other applicable forms; and
- Providing instructions regarding fingerprinting.

The applicant must complete the eQIP form and submit other required material within 15 days of receiving the e-mail from the SSE.

For items to be submitted outside eQIP, the contractor must submit the required information with a transmittal letter referencing the contract number to:

Federal Aviation Administration,
Attn: Bertha Russell (ASO-52)
1701 Columbia Avenue
College Park, GA 30337

The transmittal letter must also include a list of all of the names of contractor employees and their positions for which completed forms will be submitted to the SSE pursuant to this Clause.

(d) The contractor must submit the information required by paragraph (c) of this Clause for any new employee not listed in the Contractor's initial submission who is hired into any position identified in paragraph (b) of this Clause.

(e) The CO will provide notice to the contractor when any contractor employee is found to be unsuitable or otherwise objectionable, or whose conduct appears contrary to the public interest, or inconsistent with the best interest of national security. The contractor must take appropriate action, including the removal of such employee from working on this FAA contract, at their own expense. Once action has been taken, the contractor will report the action to the CO and SSE.

(f) No contractor employee will work in a high, moderate, or low risk position unless the SSE has received all forms necessary to conduct any required investigation and has authorized the contractor employee to begin work.

(g) The contractor must notify the CO within one (1) business day after any employee identified pursuant to paragraph (c) of this Clause is terminated from performance on the contract. This notification must be done utilizing the Removal Entry Screen of VAP. If FAA issued the terminated employee and identification card, the contractor must collect the card and submit it to the SSE.

(h) The CO may also, after coordination with the SSE and other security specialists, require contractor employees to submit any other security information (including additional fingerprinting) deemed reasonably necessary to protect the interests of the FAA. In this event, the contractor must provide, or cause each of its employees to provide, such security information to the SSE, and the same transmittal letter requirements of paragraph (c) of this Clause applies.

(i) The contractor and/or subcontractor(s) must contact the Servicing Security Elements (Regional and/or Center Security Divisions) or AIN-400 at Headquarters within one (1) business day in the event an employee is arrested (detained by law enforcement for any offenses, other than minor traffic offenses) or is involved in theft of

government property or the contractor becomes aware of any information that may raise a question about the suitability of a contractor employee.

(j) Failure to submit information required by this clause within the time required may be determined by the CO a material breach of the contract.

(k) If subsequent to the effective date of this contract, the security classification or security requirements under this contract are changed by the Government and if the changes cause an increase or decrease in direct contract costs or otherwise affect any other term or condition of this contract, the contract will be subject to an equitable adjustment.

(l) The contractor agrees to insert terms that conform substantially to the language of this clause, including paragraph (k) but excluding any reference to the Changes clause of this contract, in all subcontracts under this contract that involve access and where the exceptions under Chapter 5, FAA Order 1600.72A do not apply.

(m) Contractor employees who have not undergone a background investigation must be escorted at all times. In some instances, a contractor employee may be required to serve as an escort. To serve as an escort, a contractor employee must have a favorably adjudicated fingerprint check and initiated a NACI with FAA.

(End of clause)

3.14-3 Foreign Nationals as Contractor Employees (April 2008)

(a) Each contractor or subcontractor employee under this contract having access to FAA facilities, sensitive information, or resources must be a citizen of the United States of America, or an alien who has been lawfully admitted for permanent residence as evidenced by Alien Registration Receipt Card Form I-151, or who presents other evidence from the U.S. Citizenship and Immigration Service that employment must not affect his/her immigration status.

(b) Aliens and foreign nationals proposed under this contract must meet the following conditions in accordance with FAA Order 1600.72A, chapter 5, paragraph 7 & 8:

- (1) Must have resided within the United States for three (3) of the last five (5) years unless a waiver of this requirement is requested and approved in accordance with the requirements stated in FAA Order 1600.72A, chapter 5, paragraph 9;
- (2) A risk or sensitivity level designation can be made for the position; and
- (3) The appropriate security-related background investigation/inquiry can be adequately conducted.

(c) Interim suitability requirements may not be applied unless the position is low/moderate in risk, and/or temporary, and/or is not in a critical area position.

(End of Clause)

3.14-4 Access to FAA Systems and Government-Issued Keys, Personal Identity Verification (PIV) cards, and Vehicle Decals

(a) It may become necessary for the Government to grant access to FAA systems or issue keys, PIV cards, vehicle decals, and/or access control cards to contractor employees. Prior to or upon completion or termination of the work required hereunder, the contractor must return all such Government-issued items and submit a request to terminate all user accounts on applicable FAA systems to the issuing office with notification to the Contracting Officer's Technical Representative (COTR). When contractor employees who have been issued such items are terminated or no longer required to perform the work, the Government-issued items must be returned to the Government and a request submitted for the termination of FAA system access within three (3) business days or upon termination of the contract or the employee. Improper use, possession or alteration of FAA issued keys, PIV Cards and/or vehicle decals is subject to penalties under Title 18, USC 499, 506, 701, and

1030.

(b) In the event such keys, PIV Cards, or vehicle decals are lost, stolen, or not returned, the contractor understands and agrees that the Government may, in addition to any other withholding provision of the contract, withhold **\$250.00** to enter appropriate amount] for each key, PIV Card, and vehicle decal lost, stolen, or not returned. If the keys, PIV Cards, or vehicle decals are not returned within 30 calendar days from the date the withholding action was initiated, any amount so withheld must be forfeited by the contractor.

(c) Access to aircraft ramp/hangar areas is authorized only to those persons displaying a flight line identification card and for vehicles, a current ramp permit issued pursuant to Title 49, Part 1542, Code of Federal Regulations.

(d) The Government retains the right to inspect inventory, or audit PIV Cards, keys, vehicle decals, and access control cards issued to the contractor in connection with the contract at the convenience of the Government. Any items not accounted for, to the satisfaction of the Government will be assumed to be lost and the provisions of section (b) apply.

(e) Keys must be obtained from the COTR who will require the contractor to sign a receipt for each key obtained. Lost or stolen keys, PIV Cards, vehicle decals, and access control cards must immediately be reported concurrently to the Contracting Officer (CO), COTR, and **Investigations and Internal Security Branch, ASO-750A Tel: (404) 305-6770**. Electronic keying cards are handled in the same manner as metal keys.

(f) Each contract employee, during all times of on-site performance at the **Air Traffic Control Tower, Tallahassee Florida** must prominently display his/her current and valid PIV card on the front portion of his/her body between the neck and waist. Each PIV card holder must not affix pins, stickers, or other decorations to the PIV.

(1) Prior to any contractor employee obtaining a PIV Card or vehicle decals, the contract employee is required to report in person to the SSE Registrar or an FAA designated trusted agent for fingerprinting, photographing, and to submit their required investigation forms as described in AMS clause 3.14-2, Contractor Personnel Suitability Requirements. The investigative forms must be submitted to **Investigations and Internal Security Branch, ASO-750A Tel: (404) 305-6770** by the contractor in a sealed envelope either hand carried by the contractor or sent via U.S. mail to: **Federal Aviation Administration, ATTN: Investigations and Internal Security Branch, ASO-750A, 1701 Columbia Avenue, College Park, Georgia 30337**. The SSE will review the forms and approve interim suitability prior to the contract employee beginning work. When an interim is granted by the SSE, the individual may begin work under escort until their OPM fingerprint check has been returned and successfully adjudicated. Once the OPM fingerprint check has been successfully adjudicated, they can then be badged. If the contract employee requires a PIV Card, the fingerprint check must be completed and favorably adjudicated by the SSE prior to approval or issuance of the PIV card.

(2) To obtain the PIV Card, contractor employee must submit an identification Card/Credential Application (DOT 1681) signed by the contractor employee and by the authorized trusted agent (when applicable) and also by the authorized sponsor to the CO or to the COTR. The DOT 1681 must contain, as a minimum, under the "Credential Justification" heading, the name of the contractor/company, the contract number or the appropriate acquisition identification number, the expiration date of the contract or the task (whichever is sooner), and the required signatures. The contractor will be notified when the DOT 1681 has been approved and is ready for processing by the **Investigations and Internal Security Branch, ASO-750A**. Arrangements for processing the identification cards, including photographs and lamination can be made by the contacting the **Contracting Officer, 404-305-5724**.

(3) The contractor must contact the SSE to obtain the procedures that the contractor's employees must utilize to obtain their PIV Card.

(g) The contractor is responsible for ensuring final out-processing is accomplished for all departing contractor employees. Final out-processing must be accomplished by close of business the final workday of the contractor

employee or the next day under special conditions. The SSE must be notified in writing and ensure that all FAA media, including the PIV card, are returned to the SSE.

3.14-5 Sensitive Unclassified Information (SUI)

(a) Sensitive information must be restricted to specific contractors who:

- (1) Have a need "to know" to perform contract tasks;
- (2) Are authorized to receive the SUI;
- (3) Meet personnel suitability security requirements to access sensitive information; and
- (4) Successfully complete a Document Security Notice and SUI Request Form.

(b) The contractor must develop and implement procedures to ensure that sensitive information is handled in accordance with FAA requirements and at a minimum, must address:

- (1) Procedures for distributing, receiving, and retaining signed Document Security Notice and SUI Request Forms from each subsequent recipient of the SUI (to include subcontractors, suppliers, etc.);
- (2) Steps to minimize risk of access by unauthorized persons during business and non-business hours to include storage capability;
- (3) Procedures for safeguarding during electronic transmission (voice, data, fax) mailing or hand carrying;
- (4) Procedures for protecting against co-mingling of information with general contractor data system/files;
- (5) Procedures for marking documents with both the protective marking and the distribution limitation statement as needed;
- (6) Procedures for the reproduction of subject material;
- (7) Procedures for reporting unauthorized access; and
- (8) Procedures for the destruction and/or sanitization of such material.

(c) Federal Business Opportunities (FedBizOpps): Except for those items noted by the CO, SUI will be made available to offerors through FedBizOpps. FedBizOpps provides a secure environment for the distribution of SUI information to vendors.

- (1) FedBizOpps can be found at www.fbo.gov.
- (2) Vendors will utilize FedBizOpps to download SUI information (to include plans, specifications, equipment specifications, etc.), or the vendor will utilize the site to download a request form to send to the CO for SUI information unavailable in electronic formats.
- (3) Before receiving access to the SUI information or forms, the offeror is required to electronically certify to SUI policy and standards in FedBizOpps.
- (4) As FedBizOpps uses the Central Contractor Registration (CCR) for a portion of the vendor authentication process, offerors must be successfully register and designate a Marketing Partner Identification Number (MPIN) in CCR (www.ccr.gov) prior to seeking access to SUI through FedBizOpps.
- (5) Instructions and guides on usage of FedBizOpps can be found at www.fbo.gov.

PART III - SECTION J
LIST OF ATTACHMENTS

ATTACHMENT 1 – Government Furnished Equipment

ATTACHMENT 2 – Café Areas and Vending Areas Drawing

ATTACHMENT 3 – Wage Determination No.2005-2103, Revision 10, dated 06/15/2010

ATTACHMENT 4 – Business Declaration Form

ATTACHMENT 5 – Past Performance Survey

PART IV - SECTION K
REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS

3.2.2.3-10 Type of Business Organization (July 2004)

By checking the applicable box, the offeror (you) represents that--

(a) You operate as ☐ a corporation incorporated under the laws of the State of _____, ☐ an individual, ☐ a partnership, ☐ a nonprofit organization, ☐ a joint venture or ☐ other _____ [specify what type of organization].

(b) If you are a foreign entity, you operate as ☐ an individual, ☐ a partnership, ☐ a nonprofit organization, ☐ a joint venture, or ☐ a corporation, registered for business in

 (country)

(End of provision)

3.2.2.3-15 Authorized Negotiators (July 2004)

The offeror states that the following persons are authorized to negotiate on your behalf with the FAA in connection with this offer:

Name: _____

Title: _____

Phone number: _____

(End of provision)

3.2.2.3-70 Taxpayer Identification (July 2004)

(a) Definitions.

(1) "Common parent," as used in this clause, means a corporate entity that owns or controls an affiliated group of corporations that files an offeror's (you, your) Federal income tax returns on a consolidated basis, and of which you are a member.

(2) "Corporate status," as used in this clause, means a designation as to whether you are a corporate entity, an unincorporated entity (for example, sole proprietorship or partnership), or a corporation providing medical and health care services.

(3) "Taxpayer Identification Number (TIN)," as used in this clause, means the number the Internal Revenue Service (IRS) requires you use in reporting income tax and other returns.

(b) All offerors must submit the information required in paragraphs (c) through (e) of this provision to comply with reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M and implementing regulations issued by IRS. The FAA will use this information to collect and report on any delinquent amounts arising out of your relation with the Federal Government, under Public Law 104 -134, the Debt Collection Improvement Act of 1996, Section 31001(I)(3). If the resulting contract is subject to the reporting requirements and you refuse or fail to provide the information, the Contracting Officer (CO) may reduce your payments 31 percent under the contract.

(c) Taxpayer Identification Number (TIN).

☐ TIN: _____

☐ TIN has been applied for.

☐ TIN is not required because:

- ☐ Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not leave income effectively connected with the conduct of a trade or business in the U.S. and does not have an office or place of business or a fiscal paying agent in the U.S.;
- ☐ Offeror is an agency or instrumentality of a foreign government;
- ☐ Offeror is an agency or instrumentality of a Federal, state, or local government;
- ☐ Other--State basis. _____.

(d) Corporate Status.

- ☐ Corporation providing medical and health care services, or engaged in the billing and collecting of payments for such services;
- ☐ Other corporate entity
- ☐ Not a corporate entity
- ☐ Sole proprietorship
- ☐ Partnership
- ☐ Hospital or extended care facility described in 26 CFR 501(c)(3) that is exempt from taxation under 26 CFR 501(a).

(e) Common Parent.

- ☐ A common parent does not own or control the offeror as defined in paragraph (a).
- ☐ Name and TIN of common parent:
- Name _____
- TIN _____

(End of provision)

3.2.2.3-76 Representation- Release of Contract Information (July 2004)

(a) Any contract resulting from this SIR may be subject to release under the Freedom of Information Act (FOIA), 5 U.S.C. Section 552.

(b) The offeror's (you, your) position regarding the possible release of information you provide in response to this SIR is as follows:

(c) REPRESENTATION CONCERNING RELEASE OF CONTRACT INFORMATION--

The offeror (you) represents that--(1)☐ You have made a complete review of your offer(s) in response to this SIR and no exemption from mandatory release under FOIA exists, and, (2)☐ You have no objection to the release of any contract you may be awarded in whole or in part resulting from this SIR.

OR

The offeror (you) represents that ☐ your offer(s) in response to this SIR contains information that is exempt from mandatory release under FOIA. Accordingly, you represent that--(1)☐ You have identified any sensitive documents you submitted in response to this SIR by placing restrictive markings on them. This may include trade secrets, proprietary information, or commercial or financial information that is privileged or confidential, and (2)☐ As the party that provided the information, you have provided the Contracting Officer (by separate letter concurrent with this offer) detailed information listing the page(s) to be withheld complete with any and all legal justifications which would permit the FAA to invoke a FOIA exemption.

(End of provision)

3.2.2.7-7 Certification Regarding Responsibility Matters (January 2010)

(a)(1) The Offeror certifies, to the best of its knowledge and belief, that

(i) The Offeror and/or any of its Principals-

A) Are ☐ are not ☐ presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have ☐ have not ☐ within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public

(Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating Federal criminal tax laws or receiving stolen property; and

(C) Are ☐ are not ☐ presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision a)(1)

(i)(B) of this provision.

(D) Have ☐ have not ☐, within a three-year period preceding this offer, been notified of any delinquent Federal taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied.

(1) Federal taxes are considered delinquent if both of the following criteria apply:

(i) The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge to the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.

(ii) The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.

(2) Examples-

(i) The taxpayer has received a statutory notice of deficiency, under I.R.C. Sec. 6212, which entitles the taxpayer to seek Tax Court review of a proposed tax deficiency. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek Tax Court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.

(ii) The IRS has filed a notice of Federal tax lien with respect to an assessed tax liability, and the taxpayer has been issued a notice under I.R.C. Sec. 6320 entitling the taxpayer to request a hearing with the IRS Office of Appeals contesting the lien filing, and to further appeal to the Tax Court if the IRS determines to sustain the lien filing. In the course of the hearing, the taxpayer is entitled to contest the underlying tax liability because the taxpayer has had no prior opportunity to contest the liability. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek tax court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.

(iii) The taxpayer has entered into an installment agreement pursuant to I.R.C. Sec. 6159. The taxpayer is making timely payments and is in full compliance with the agreement terms. The taxpayer is not delinquent because the taxpayer is not currently required to make full payment.

(iv) The taxpayer has filed for bankruptcy protection. The taxpayer is not delinquent because enforced collection action is stayed under 11 U.S.C. 362 (the Bankruptcy Code).

(b) The Offeror has ☐ has not ☐ within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(2) 'Principals,' for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions). THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER SECTION 1001, TITLE 18, UNITED STATES CODE.

(c) The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(d) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this SIR. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.

(e) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not

required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(f) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this SIR for default.

(End of provision)

3.3.1-35 Certification of Registration in Central Contractor Registration (CCR) (April 2006)

In accordance with Clause 3.3.1-33, Central Contractor Registration, offeror certifies that they are registered in the CCR Database and have entered all mandatory information including the DUNS or DUNS+4 Number.

Name: _____

Title: _____

Phone Number: _____

(End of provision)

3.6.2-5 Certification of Nonsegregated Facilities (February 2009)

(a) 'Segregated facilities,' as used in this provision, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin because of habit, local custom, or otherwise.

(b) By the submission of this offer, the offeror certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The offeror agrees that a breach of this certification is a violation of the "Equal Opportunity" clause in the contract.

(c) The offeror further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) it will--

(1) Obtain identical certifications from proposed subcontractors before the award of subcontracts under which the subcontractor will be subject to the "Equal Opportunity" clause;

(2) Retain the certifications in the files; and

(3) Forward the following notice to the proposed subcontractors (except if the proposed subcontractors have submitted identical certifications for specific time periods):

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATIONS OF NONSEGREGATED FACILITIES

A Certification of Nonsegregated Facilities must be submitted before the award of a subcontract under which the subcontractor will be subject to the "Equal Opportunity" clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

Note: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

(End of provision)

3.6.2-6 Previous Contracts and Compliance Reports (April 1996)

The offeror represents that--(a) It ☐ has, ☐ has not, participated in a previous contract or subcontract subject either to the "Equal Opportunity" clause of this solicitation, the clause originally contained in Section 310 of Executive Order No. 10925, or the clause contained in Section 201 of Executive Order No. 11114; (b) It ☐ has, ☐ has not, filed all required compliance reports; and (c) Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

(End of provision)

3.6.2-8 Affirmative Action Compliance (April 1996)

The offeror represents that (a) it ☐ has developed and has on file, ☐ has not developed and does not have on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or (b) it ☐ has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

(End of provision)

3.6.2-38 Certification of Knowledge Regarding Child Labor End Products (July 2007)

(a) Definition.

"Forced or indentured child labor," as used in this clause, means all work or service:

- (i) Exacted from any person under the age of 18 under the menace of any penalty for its nonperformance and for which the worker does not offer itself voluntarily; or
- (ii) Performed by any person under the age of 18 pursuant to a contract, the enforcement of which can be accomplished by process or penalties.

(b) Listed End Products. The following end product(s) being acquired under this solicitation is (are) included in the List of Products Requiring Contractor Certification as to Forced or Indentured Child Labor, identified by their country of origin. There is a reasonable basis that the listed end products from the listed countries of origin may have been mined, produced, or manufactured by forced or indentured child labor.

Listed End Product	Listed Countries of Origin
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>

(c) Certification. The FAA will not make award to an offeror unless the offeror, by checking the appropriate block, certifies to either paragraph (c)(1) or (c)(2) of this provision.

[] (1) The offeror will not supply any end product listed in paragraph (b) of this provision that was mined, produced, or manufactured in a corresponding country as listed for that end product.

[] (2) The offeror may supply an end product listed in paragraph (b) of this provision that was mined, produced, or manufactured in the corresponding country as listed for that product, and the offeror certifies that it has made a good faith effort to determine whether forced or indentured child labor was used to mine, produce, or manufacture that end product.

(End of Clause)

3.13-4 Contractor Identification Number - Data Universal Numbering System (DUNS) Number (April 2006)

(a) Definitions. As used in this clause

"Contractor Identification Number," as used in this provision, means "Data Universal Numbering System (DUNS) number, which is a nine-digit number assigned by Dun and Bradstreet Information Services, to identify unique business entities (taken from CCR clause).

"Data Universal Numbering System +4 (DUNS+4) number" means the DUNS number assigned by D&B plus a 4-character suffix that may be assigned by a business concern. (D&B has no affiliation with this 4-character suffix.) This 4-character suffix may be assigned at the discretion of the business concern to establish additional CCR records for identifying alternative Electronic Funds Transfer.

(b) Contractor identification is essential for receiving payment and complying with statutory contract reporting requirements. Therefore, the offeror shall provide its DUNS or DUNS+4 number below. The DUNS number will be used by the Contracting Officer to verify that the offeror is registered in the CCR database.

DUNS OR DUNS+4 NUMBER: _____

(c) If the offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one.

(1) An offeror may obtain a DUNS number

(i) If located within the United States, by calling Dun and Bradstreet at 1-866-705-5711 or via the Internet at <http://www.dnb.com/>; or

(ii) If located outside the United States, by contacting the local Dun and Bradstreet office.

(2) The offeror should be prepared to provide the following information:

(i) Company legal business.

(ii) Tradestyle, doing business, or other name by which your entity is commonly recognized.

(iii) Company Physical Street Address, City, State, and ZIP Code.

(iv) Company Mailing Address, City, State and ZIP Code (if different from physical street address).

(v) Company Telephone Number.

(vi) Date the company was started.

(vii) Number of employees at your location.

(viii) Chief executive officer/key manager.

(ix) Line of business (industry).

(x) Company Headquarters name and address (reporting relationship within your entity).

(End of provision)

3.3.1-35 Certification of Registration in Central Contractor Registration (CCR) (April 2006)

In accordance with Clause 3.3.1-33, Central Contractor Registration, offeror certifies that they are registered in the CCR Database and have entered all mandatory information including the DUNS or DUNS+4 Number.

Name: _____

Title: _____

Phone Number: _____

(End of provision)

PART IV - SECTION L
INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

3.1-1 Clauses and Provisions Incorporated by reference (December 2005)

This screening information request (SIR) or contract, as applicable, incorporates by reference the provisions or clauses listed below with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make the full text available, or offerors and contractors may obtain the full text via Internet at: <http://conwrite.faa.gov> (on this web page, select "Search and View Clauses").

3.2.2.3-1 False Statements in Offers (July 2004)

3.2.2.3-11 Unnecessarily Elaborate Submittals (July 2004)

3.2.2.3-12 Amendments to Screening Information Requests (July 2004)

3.2.2.3-14 Late Submissions, Modifications, and Withdrawals of Submittals (July 2004)

3.2.2.3-17 Preparing Offers (July 2004)

3.2.2.3-18 Prospective Offeror's Requests for Explanations (February 2009)

3.2.2.3-19 Contract Award (July 2004)

3.2.2.3-13 Submission of Information/Documentation/Offer (July 2004)

(a) The offeror (you) must submit information, documentation, and offers, including any modifications, in sealed envelopes or packages

(1) Addressed to the office specified in the SIR, and

(2) Showing the time specified for receipt, the SIR number, and your name and address.

(b) The FAA will consider electronic offers, modifications or withdrawals only if the SIR authorizes them.

(c) You must submit Item samples, if required. This SIR includes provision 3.2.2.3-4, "Samples."

(End of provision)

3.2.2.3-16 Restricting, Disclosing and Using Data (July 2004)

If the offeror (you) includes data in your offer that you do not want to be disclosed to the public or for the FAA to use except for evaluation purposes-----

(a) Mark the title page with the following legend:

This offer includes data that must not be (1) disclosed outside the FAA and (2) duplicated, used, or disclosed -in whole or in part- for any purpose other than to evaluate this offer.

(b) Contracts awarded as a result of this SIR are subject to the disclosure requirements specified in this contract. This restriction does not limit our right to use information from another source that may be contained in your offer.

(c) Use the following space to identify the pages containing the restricted data:

Numbers or other identification of pages:

(d) Mark each page you want to restrict with the following legend: 'Using or disclosing data contained on this page is subject to the restriction on the title page of this offer.'

(End of provision)

3.2.2.3-20 Electronic Offers (July 2004)

- (a) The offeror (you) may submit responses to this SIR by the following electronic means: **email**. Your offer must arrive at the place and by the time specified in the SIR.
- (b) Electronic offers must refer to this SIR and include, as applicable, the item or sub-items, quantities, unit prices, time and place of delivery, all representations and other information required and a statement specifying the extent of your agreement with all the FAA's (we) terms, conditions, and provisions..
- (c) We may decline to consider electronic offers that do not include required information, or that reject any of the terms, conditions and provisions of the SIR.
- (d) We reserve the right to make award solely on the electronic offer. However, if the CO requests, you must promptly submit the complete original (hard copy) signed proposal.
- (e) Send your offer electronically to Bertha.Russell@faa.gov.
- (f) If you chose to sent your offer electronically, we will not be responsible for any failure attributable to transmitting or receiving the offer.

(End of provision)

3.2.4-1 Type of Contract (April 1996)

The FAA contemplates award of a firm-fixed price contract resulting from this Screening Information Request.

(End of provision)

3.8.2-9 Site Visit (April 1996)

Offerors or quoters are urged and expected to inspect the site where services are to be performed and to satisfy themselves regarding all general and local conditions that may affect the cost of contract performance, to the extent that the information is reasonably obtainable. In no event shall failure to inspect the site constitute grounds for a dispute after contract award.

A site visit has been scheduled for August 12, 2010 at 10:00 a.m. (EST)

Provide name and company of individual(s) if planning on attending to the below listed individual by Monday, August 10, 2010 by 12:00 p.m.

Charlie Peppers
Tel: 540-349-7417 (Office)
Email: Charlie.Peppers@faa.gov

(End of provision)

3.9.1-3 Protest (November 2002)

AS A CONDITION OF SUBMITTING AN OFFER OR RESPONSE TO THIS SIR (OR OTHER SOLICITATION, IF APPROPRIATE), THE OFFEROR OR POTENTIAL OFFEROR AGREES TO BE BOUND BY THE FOLLOWING PROVISIONS RELATING TO PROTESTS:

- (a) Protests concerning Federal Aviation Administration Screening Information Requests (SIRs) or awards of contracts shall be resolved through the Federal Aviation Administration (FAA) dispute resolution system at the Office of Dispute Resolution for Acquisition (ODRA) and shall be governed by the procedures set forth in 14 C.F.R. Parts 14 and 17, which are hereby incorporated by reference. Judicial review, where available, will be in

accordance with 49 U.S.C. 46110 and shall apply only to final agency decisions. A protestor may seek review of a final FAA decision only after its administrative remedies have been exhausted.

(b) Offerors initially should attempt to resolve any issues concerning potential protests with the Contracting Officer. The Contracting Officer should make reasonable efforts to answer questions promptly and completely, and, where possible, to resolve concerns or controversies. The protest time limitations, however, will not be extended by attempts to resolve a potential protest with the Contracting Officer.

(c) The filing of a protest with the ODRA may be accomplished by mail, overnight delivery, hand delivery, or by facsimile. A protest is considered to be filed on the date it is received by the ODRA.

(d) Only an interested party may file a protest. An interested party is one whose direct economic interest has been or would be affected by the award or failure to award an FAA contract. Proposed subcontractors are not "interested parties" within this definition.

(e) A written protest must be filed with the ODRA within the times set forth below, or the protest shall be dismissed as untimely:

(1) Protests based upon alleged improprieties in a solicitation or a SIR that are apparent prior to bid opening or the time set for receipt of initial proposals shall be filed prior to bid opening or the time set for the receipt of initial proposals.

(2) In procurements where proposals are requested, alleged improprieties that do not exist in the initial solicitation, but which are subsequently incorporated into the solicitation, must be protested not later than the next closing time for receipt of proposals following the incorporation.

(3) For protests other than those related to alleged solicitation improprieties, the protest must be filed on the later of the following two dates:

(i) Not later than seven (7) business days after the date the protester knew or should have known of the grounds for the protest; or

(ii) If the protester has requested a post-award debriefing from the FAA Product Team, not later than five (5) business days after the date on which the Product Team holds that debriefing.

(f) Protests shall be filed at:

- (1) Office of Dispute Resolution for Acquisition, AGC-70,
Federal Aviation Administration,
800 Independence Ave., S.W.,
Room 323,
Washington, DC 20591,

Telephone: (202) 267-3290,
Facsimile: (202) 267-3720; or

- (2) other address as specified in 14 CFR Part 17.

(g) At the same time as filing the protest with the ODRA, the protester shall serve a copy of the protest on the Contracting Officer and any other official designated in the SIR for receipt of protests by means reasonably calculated to be received by the Contracting Officer on the same day as it is to be received by the ODRA. The protest shall include a signed statement from the protester, certifying to the ODRA the manner of service, date, and time when a copy of the protest was served on the Contracting Officer and other designated official(s).

(h) Additional information and guidance about the ODRA dispute resolution process for protests can be found on the ODRA Website at <http://www.faa.gov>.

(End of provision)

SO-L-1 NORTH AMERICAN INDUSTRIAL CLASSIFICATION STANDARDS (NAICS)

The NAICS code for this acquisition is 722310 Cafeteria Food Service Contractors and the small business size standard is \$20.5 million average annual receipts over the past 3 fiscal years.

(End of provision)

SO-L-3 REQUIRED DOCUMENTS

The contractor SHALL return the following completed documents as part of its offer:

- (a) **Standard Form 33, Solicitation, Offer, and Award.**
- (b) **Standard Form 36, Continuation Sheet (Schedule).**
- (c) **Section K, Representations, Certifications, and Other Statements of Offerors.**
- (d) **Business Declaration Form (Attachment 4)**
- (e) **Performance Bond Capacity in the amount of \$25,000.00**
- (f) **Insurance Capacity in the amount of \$1,000,000.00**
- (g) **Submit a proposed sales price list, including vending machine items**
- (h) **Past Experience**
Provide a summary of each contract describing experience in providing food services and compliance with applicable health, sanitation and building codes or ordinance. Submit a list of all customers and facilities for which you had contracts to provide food services for the **last five years**, specifically identify projects of similar scope and complexity. Provide current name, address and phone numbers of points of contact for each customer. The Government reserves the right to make independent inquiries regarding past performance. If negative information is received regarding past performance, contractor will be given the opportunity to respond during the evaluation period.
- (i) **Past Performance Surveys (Attachment 5)**
Arrange for **a minimum of three** past customers to complete and submit directly to the Government, customer surveys to be considered by the Government in evaluating your firm's past performance and customer satisfaction. To be considered in offer evaluations, completed customer surveys must be received by the Government no later than the closing date for submission of offer.
- (i) **Key Personnel Include Cafeteria Manager and Cook. Submit resumes that include the following:**

Experience (including, in reverse chronological order, area(s) of work in which a person is qualified, company and title of position, approximate starting and ending dates (month/year), experience with comparable responsibilities of similar

size/scope/complexity/functionality, and specific experience related to the SOW (manager shall have previously had at a minimum, two years of consecutive employment in a position with comparable responsibilities.); and

Certification (Food Handling Cert, etc.) that the information contained in the resume is correct and accurate.

(j) Menu and Variety.

Submit a menu that shall, at a minimum include all items listed in the statement of work to include pricing and portion size. Offeror is also instructed to add all other items being offered including quantities and portion sizes. This should also include “heart wise and International food items and any innovative services the Contractor plans to utilize.

(k) Sample “Daily Specials” Menu

The offeror shall submit three (3) samples of proposed “Daily Specials” Menu. The sample menus are for a weeks worth (Monday through Friday) of specials that include deli specials, grill specials, entrée specials, and daily soup choices.

(l) Financial Information

Submit copies of financial statements, Dun & Bradstreet reports, or other data you choose, sufficient to enable the Government to evaluate your firm's financial condition and responsibility.

(End of provision)

SO-L-6 TELEGRAPHIC PROPOSALS AND TELEGRAPHIC MODIFICATIONS

Telegraphic or facsimile offers are **NOT** authorized. Telegraphic or facsimile modifications to offers ARE authorized; however, it is requested that neither the total amount of the original offer, nor the revised offer, be revealed in order to insure the confidentiality of the offer. The fax number is (404) 305-5774. The “hard copy” of the modification should be sent by regular mail. IF FACSIMILE IS USED, OFFERORS ARE CAUTIONED TO TRANSMIT EARLY ENOUGH TO ASSURE SUCCESSFUL RECEIPT IN THIS OFFICE BY THE REQUIRED TIME.

Offers made in response to this solicitation **may be transmitted by e-mail attachment** in a .pdf, or similarly accessible, format. Offerors assume risks of email transmission delays.

(End of provision)

SO-L-7 HANDCARRIED OFFERS

If a contractor plans to hand carry an offer to the designated receiving office, the Contracting Officer should be notified sufficiently in advance of the visit to allow time for the CO to notify security guards at the entrance to the facility. The contractor will need to furnish the names of the employees who will be visiting, and the expected date and time of arrival. Otherwise, entry may be delayed or prohibited. Offers are to be delivered or mailed to Federal Aviation Administration, ATTN: Bertha Russell, 1701 Columbia Avenue, College Park, GA 30337. Responses should be sent early enough to ensure receipt by due date and time.

(End of provision)

PART IV - SECTION M
EVALUATION FACTORS FOR AWARD

3.2.4-29 Evaluation Exclusive of Options (April 1996)

The Government will evaluate offers for award purposes by including only the price for the basic requirement; i.e., options will not be included in the evaluation for award purposes.

(End of provision)

SO-M-1 CONTRACT AWARD:

1. The Government may award a contract based upon this Request For Offers, at the discretion of the source selection official, to the responsible offeror whose submittal conforms to the requirements and terms and conditions, and is considered to be the **BEST VALUE TO THE GOVERNMENT** considering price and other factors as listed below. Award shall not be based on price alone. The Government may be willing to pay a higher price for a higher-rated contractor.

(a) The Government intends to evaluate the offer, either on initial submittals without communication or on initial or subsequent offerors with communications. In evaluating the offer, the Government may conduct written or oral communications. Offers should contain the offeror's best terms from a technical standpoint.

(b) The Government will award a single contract resulting from this Request for Offer (RFO), at the discretion of the source selection official, to the responsible offeror whose submittal conforms to the requirements and terms and conditions, and is considered to be Technically Acceptable considering factors listed below.

(c) The Government may:

- (a) reject any offer if such action is in the public interest;
- (b) waive informalities and minor irregularities in the offer received;
- (c) make award without written or oral discussion with offeror.
- (d) have discussions with the offeror.

2. Award will be based on best value to FAA considering the criteria listed below. The sub-criteria are all of equal importance. All relevant available information, including that provided by the offeror and by references identified by the offeror, will be evaluated. The first two (2) factors will be evaluated in a range of "Exceptional", "Acceptable", "Marginal" or "Unacceptable", and the first factor will carry more weight than the second. The third, fourth, fifth, sixth and seventh factor will be evaluated as either "Acceptable" or "Unacceptable". Any proposal determined to be "not acceptable" in any evaluated area, criteria, or sub-element thereof, shall render the entire proposal to be unacceptable and therefore rejected from further consideration. Those proposals meeting evaluation requirements will then continue in the evaluation phase and a firm-fixed contract based on the Best Value to the Government will be awarded. One-on-one discussions may be held at the option of the Government, with one or more offers, as determined necessary by the Contracting Officer, to clarify statements, resolve issues and omissions, etc.

3. Prospective offer is required to submit a business proposal as discussed herein.

(a) **Past Experience.** The offerors must demonstrate past experience in providing food services. Prior past performance and experience working in FAA facilities will be given added consideration. In order to be deemed responsive and responsible, potential contractors must display favorable past performance. Offerors with less than five (5) years experience and contracts performed successfully of similar size and complexity may not be considered for award. References other than those identified by the offeror may be contacted by the FAA with the information received used in the evaluation of the offeror's past experience.

(b) **Past Performance, Business Practices and Customer Satisfaction.** This factor includes but is not limited to, compliance with contract terms, customer relations, contract performance, ability to work effectively with contracting parties, resolution of problems, timely and accurate submission of reports and information necessary for contract performance, responsiveness to emergency requirements, timeliness of payments to employees, suppliers, and subcontractors. The government may consider any other verifiable outside information known or learned about the offeror, such as another office's experience with the offeror, or personal knowledge of the offeror's prior performance.

(c) **Key Personnel.** The Resumes may be deemed "acceptable" if they demonstrate that the individuals possess the requirements stated in the Statement of Work.

(d) **Menu and Variety.** The menu and variety may be deemed "acceptable" if at a minimum, all items listed in the Statement of Work are included.

(e) **Proposed Sales Price List.**

Prices will be assessed as to price fairness and reasonableness. A price is "reasonable" if it does not exceed that which a prudent person would pay in a commercial restaurant in the vicinity of Warrenton, Virginia. When determining reasonableness, the Government reserves the right to compare each offerors' proposed prices to the competing offerors' proposed price.

(f) **Financial Condition.** Submit copies of financial statements, Dun & Bradstreet reports, or other data you choose, sufficient to enable the Government to evaluate your firm's financial condition and responsibility. (Example: Average monthly balances and line of credit).

(g) **Bonding and Insurance Capacity.** An offer may be deemed "acceptable" if submitted information confirms that the offeror is certain to be able to obtain bonding and insurance required by the contract.

3. This requirement is offered to all qualified, responsive concerns and offers will be considered using a tiered order of precedence. Each tier will be evaluated using the procedure outlined below. A determination of insufficient competition or unreasonable price will be made before the next tier is evaluated.

First Tier. It is the intent of the FAA to award a contract on a competitive basis to an eligible 8(a) business concern, provided that adequate competition is received and award can be made at a fair market price.

Second Tier. If circumstances do not permit an 8(a) award, the responsive offeror(s) from the first tier will be included in the evaluation of the second tier. The Government intends to award a contract on a competitive basis to an eligible service-disabled veteran owned small business, provided that adequate competition is received and award can be made at a fair market price.

Third Tier. If circumstances do not permit a service-disabled veteran owned small business award, the responsive offeror(s) from the first and second tier will be included in the evaluation of the third tier. The Government intends to award a contract on a competitive basis to an eligible small business concern, provided that adequate competition is received and award can be made at a fair market price.

Last Tier. If circumstances do not permit an award in the third tier, the FAA intends to award a contract on the basis of full and open competition from **among all responsible, responsive offers** received providing award can be made at a fair market price.

Adequate competition is defined as at least two (2) competitive offers received from qualified, responsible business concerns at the tier under evaluation.

If proposal is determined to be “unacceptable” in any evaluated area, criteria, or sub-element thereof, shall render the entire proposal to be unacceptable and therefore rejected from further consideration. One-on-one discussions may be held at the option of the Government, as determined necessary by the Contracting Officer, to clarify statements, resolve issues and omissions, etc.